C. P. U. No. 223

COMMITTEE ON PUBLIC UNDERTAKINGS (1972-73)

(FIFTH LOK SABHA)

THIRTY-FIRST REPORT

[Action taken by Government on the recommendations contained in the Sixty-Second Report of the Committee on Public Undertakings (Fourth Lok Sabha)]

CENTRAL ROAD TRANSPORT CORPORATION LIMITED

(MINISTRY OF SHIPPING AND TRANSPORT)

(TRANSPORT WING)

LOK SABHA SECRETARIAT
NEW DELHI

April, 1973/Chaitra 1895 (S)
Price: Rs. 3·95

CORRIGENDA

THIRTY-FIRST REPORT OF THE COMMITTEE ON PUBLIC UNDERTAKINGS (1972-73) ON THE ACTION TAKEN BY GOVERNMENT ON THE RECOMMENDATIONS CONTAINED IN THE 62ND REPORT OF CPU ON CENTRAL ROAD TRANSPORT CORPORATION

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156	After Item 7(a) in Col.1, read: (i) 7(b) Writing down the value of surplus obsolete stores on the books. Col.2. Upto Rs.1 lakh per annum Col.3. A report should be made to the Board. (ii) Item 8. Delete asterisk marks. (iii) Delete the footnote.		
162	Item 2, Col.2 of statement	Add the word 'occasion' after the words 'for each'	
174	Item 8, Col.2	handling	handing
176	Item 31, Col.2	utgency	urgency

PAGE

COMPOSITION OF THE COMMITTEE . . . . . (iii)

COMPOSITION OF THE STUDY GROUP VI ON ACTION TAKEN REPORTS AND MISCELLANEOUS MATTERS (v)

INTRODUCTION . . . . . (vii)

I. Report 1

II. Recommendations that have been accepted by Government . 10

III. Recommendations which the Committee do not desire to pursue in view of Government's reply 13

IV. Recommendations in respect of which replies of Government have not been accepted by the Committee. 44

V. Recommendations in respect of which final replies are still awaited 61

APPENDIX

I. Recommendations made by the Central Road Transport Corporation Enquiry Committee in their interim Report and the action taken by the Company on them 63

II. Copy of letter No. 1/8/68/PAR (MOW) dated the 4th April, 1970 from the Assistant Regional Manager, M.M.T.C. Cuttack, to the Deputy General Manager, CRTC Cuttack . . 66

III. Statement showing party-wise (Government/Undertakings) break-up of the sundry debtors 67

IV. Statement showing party-wise (Private parties) break-up of sundry debtors 71

V. List showing all debts exceeding Rs. 100/- which accrued during the years 1966-67, 1967-68 and 1968-69 75

VI. Position of CRTC's dues from private parties as on 31-3-1972 (unaudited) 79

VII. List showing all debts exceeding Rs. 1000/- which accrued to the Central Road Transport Corporation as on 31st March (during the years 1966-67, 1967-68 and 1968-69.) 82

VIII. Extracts from the Minutes of the meetings of the Board of Directors of the CRTC 86

IX. Quarterly financial report of the CRTC Ltd. for the quarter ending 30th June, 1965 95

X. Copy of D.O. No. D. 6528-TFS/68, dated 21-11-68 from Shri S. Sundaresan, Deputy Secretary to the Government of India, Ministry of Finance, Department of Expenditure, New Delhi to Shri K. Srinivasan, Managing Director 105

PAGE

XI. Copy of letter No. H/Ac/26/6181 dated 7th May, 1969 addressed to Shri S. Sundaresan, Deputy Secretary to the Government of India, Ministry of Finance, Department of Expenditure, New Delhi from Shri K. Srinivasan, Managing Director, CRTC Ltd. Calcutta. 106

XII. Copy of D.O. letter No. H/AC/58-5403 dated 16-1-1968 from Chairman & Managing Director CRTC Ltd. to Shri R. K. Sharma, Deputy Secretary, Ministry of Transport & Shipping (Transport Wing), New Delhi 108

XIII. Copy of letter No. 2-T (2)/68 dated 12-1-68 from the Ministry of Transport and Aviation (Department of Transport & Shipping), New Delhi to the Chairman and Managing Director, CRTC Ltd. Calcutta-1 111

XIV. List of Reports/Statement etc. submitted by the CRTC to the Ministry of Shipping and Transport from time to time . . 112

XV. Copy of D.O. letter No. 20-T (7)/67 dated 8th July, 1967 from Shri R. K. Sharma, Deputy Secretary, Ministry of Transport & Aviation (Department of Transport and Shipping), New Delhi to the Managing Director, CRTC Ltd. Calcutta-1 . 117

XVI. Statement showing outstanding advances as on 31-3-1971 in respect of employees no longer in service 119

XVII. Statement showing outstanding advances as on 31-3-1971 in respect of employees in service. 125

XVIII. Copy of confidential D.O. letter No. 12559 dated 7-10-70 from Shri A.K. Mazumdar, I.A.S., Chairman, Orissa/State Electricity Board, Bhubaneshwar-7 to Shri K. Srinivasan, Managing Director, CRTC Ltd. 149

XIX. Copies of the Delegation of Financial Rules—powers delegated to Managing Director 154

XX. Copy of letter No. 39-T (68)/68 dated 14-11-68 from Shri B. M. Mazumdar, Under Sectetary, Ministry of Transport & Shipping New Delhi to the Chairman & Managing Director, CRTC Ltd. Calcutta 173

XXI. O.M. No. 2(34)/69-BPE (GM) dated 7-7-1969 from the Ministry of Finance, Bureau of Public Enterprises, New Delhi re : responsibility of the administrative Ministries in regard to the performance of public enterprises. 180

XXII. Copy of confidential D.O. No. H/Admn/37D/74 (V) dated 28-1-1966 from CRTC Ltd. Calcutta-1 to Shri A. B. Ganguly, ICS, Chairman, Calcutta State Transport Corporation, Belghoria (24 Parganas) 184

XXIII. Copy of the note recorded by the Accountant of the Gauhati Branch of the CRTC 185

XXIV. Analysis of the action taken by Government on the recommendations contained in the Sixty-second Report of the Committee on Public Undertakings (Fourth Lok Sabha) . . . 186

COMMITTEE ON PUBLIC UNDERTAKINGS

(1972-73)

CHAIRMAN

Shrimati Subhadra Joshi

MEMBERS

2. Shri Dinen Bhattacharya
3. Shri G. Bhuvarahan
4. Dr. Kailas
5. Shri Murasoli Maran
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12. Shri M. Kamalanathan
13. Shri U. N. Mahida
*14. Choudhary A. Mohammad
15. Shri P. P. Singh

SECRETARIAT

Shri M. A. Soundararajan—*Deputy Secretary.*

Shri M. N. Kaul—*Under Secretary.*

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*Die on 7th February, 1973.

COMPOSITION OF THE STUDY GROUP ON ACTION TAKEN REPORTS AND MISCELLANEOUS MATTERS

Shrimati Subhadra Joshi—*Chairman*

2. Shri Amrit Nahata—*Alternate Convener*
3. Dr. Kailas
4. Shri S. N. Misra
5. Shri P. Parthasarathy
6. Shri G. Bhuvarahan
7. Shri D. P. Singh
8. Shri Lal K. Advani
9. Shri U. N. Mahida
10. Shri Ranen Sen.

INTRODUCTION

I, the Chairman, Committee on Public Undertakings having been authorised by the Committee to submit the Report on their behalf, present this Thirty-first Report on the Action Taken by Government on the recommendations contained in the Sixty-Second Report of the Committee on Public Undertakings (Fourth Lok Sabha) on the Central Road Transport Corporation Ltd.

2. The Sixty-second Report of the Committee on Public Undertakings (Fourth Lok Sabha) was presented to Lok Sabha on the 13th April, 1970. Out of the total 25 recommendations contained in the Report, replies to 21 recommendations were received from the Government up to 28th December, 1971.

3. The replies furnished by the Government were considered by the Committee on Public Undertakings (1971-72) at their sitting held on 24th February, 1972. As desired by the Committee, further information in respect of recommendations at Serial Nos. 3, 5, 7, 8, 10, 13, 14, 15, 17 and 19 was called for, duly vetted by Audit, and the requisite information was received from the Government by the 8th January, 1973. The replies vetted by Audit were, however, not received. Replies to the remaining recommendations at Serial Nos. 20, 21 and 22 were also received from the Government on the 10th November, 1972 except in respect of recommendation at Serial No. 25.

4. The replies of Government to the recommendations contained in the aforesaid Report were again considered by the Committee on Public Undertakings on the 30th March, 1973. The Committee authorised the Chairman to finalise the Report on the basis of the decisions of the Committee, and present it to Parliament.

5. The Report has been divided into the following Chapters:—

(I) Report

(II) Recommendations that have been accepted by Government.

(III) Recommenadtions which the Committee do not desire to pursue in view of Government's replies.

(IV) Recommendations in respect of which replies of Government have not been accepted by the Committee.

(V) Recommendations in respect of which final replies of Government are still awaited.

6. An analysis of the Action Taken by Government on the recommendations contained in the Sixty-second Report of the Committee is given in Appendix XXIV. It would be observed therefrom that out of the total number of recommendations made in the Report, 12 per cent have been accepted by Government. The Committee do not desire to pursue 56 per cent of the recommendations in view of Government's replies. Replies of Government in respect of 28 per cent of the recommendations have not been accepted by the Committee. Final reply in respect of 4 per cent of the recommendations is still awaited.

NEW DELHI;
April 16, 1973.
Chaitra 26, 1895 (S).

SUBHADRA JOSHI,
Chairman,
Committee on Public Undertakings.

CHAPTER I

REPORT

A. *Financial Results*

Recommendation (Serial No. 7) Paras 3.6 to 3.10)

The Committee noted that the Corporation had suffered losses amounting to Rs. 14.06 lakhs in 1966-67, Rs. 16.69 lakhs in 1967-68 and Rs. 24.80 lakhs in 1968-69. The Committee desired to know what remedial measures Government had taken to detect the factors leading to these losses and what was the position regarding losses suffered or profits made by the Corporation during the years 1969-70, 1970-71 and 1971-72.

2. In reply, Government have explained the position as follows:—

"Factors like increase in the cost of fuel, tyres, spares, chassis and motor vehicles tax and floods are beyond the Company's control. With the opening of the road bridge over the Ganga at Farakka from 18-2-1972, there is no longer any hold up there. As a result of the liaison being maintained with M.M.T.C. and the State Government Authorities, there is practically no detention now at the weigh bridges. With the imposition of octroi in the Calcutta Metropolitan District Area, all vehicles entering that area are being subjected to long delays. The road condition between Pansukura and Haldia has now considerably improved. With the opening of the Daitari Mines-Paradeep Express Highway, which is now used by the Company's trucks, the problem of bad road condition in that sector does not exist. The scarcity of types, tubes and flaps in the country still persists. The Government of India in the Ministry of Industrial Development have communicated the minimum requirements of the State Road Transport Undertakings to the tyre industry with the request to ensure that these requirements are met to the greatest extent possible.

Despite the Company's meeting all the economic demands of the employees, strikes and go-slow and work-to-rule methods have almost become regular features. The operational staff of the Company in the Eastern region were on

strike for 47 days and 39 days in 1967-68 and 1968-69 respectively. All the employees of the Company in the Eastern region were also on 19 days strike in 1971-72. The work was also generally dislocated for some time before the strike were actually launched and resumption of normal work after the strikes has also taken time.

There have been further increases in the emoluments of all the employees through merger of D.A. with pay and grant of interim relief.

The loss suffered by the Company during 1969-70 and 1970-71 was Rs. 21.36 lakhs and Rs. 22.90 lakhs respectively. The *accounts of the year 1971-72 have not so far been closed."

3. The Committee are concerned to note the gradual increase in the losses suffered by the Corporation. The Committee reiterate their earlier recommendation that continuous increase in losses suffered by the Corporation could have been arrested had the Corporation maintained an effective machinery to detect the factors leading to these losses in time and taken remedial measures promptly.

B. *Unsecured Advances*

Recommendation (Serial No. 14) Paras 4.54 to 4.62

4. The Committee were concerned to note the large accumulation of unsecured advances which had ranged between Rs. 4.35 lakhs to Rs. 6.59 lakhs during the years 1965-66 to 1968-69 although the normal limit of advances was stated to be Rs. 2 lakhs. The Committee observed that even the minimum financial restraint was not practised in regard to grant of advances with the consequence that the limit was exceeded by two to three times. The Committee strongly recommended the strict observance of financial rules by the officers of the Corporation in future. They also liked to be informed of the recovery/adjustment of the advances outstanding as on 31st March, 1969, the magnitude of irrecoverable amounts and the action taken against the defaulters.

5. In reply Government stated that every effort was being made to recover the outstanding advances from the persons who were still in the employment of the Company and in case of 33 employees who

*At the time of factual verification Audit pointed out that the Company suffered a loss of Rs. 24.76 lakhs in 1971-72.

were no longer in service, irrecoverable advances to the extent of Rs. 4,110.05 outstanding against them had been written off or otherwise adjusted against money due to them.

Government have further informed that the position of outstanding advances was Rs. 6.59 lakhs on 31-3-1969; Rs. 5.60 lakhs on 31-3-1970 and Rs. 5.14 lakhs on 31-3-1971.

6. It will be seen from the above figures of outstanding advances that the position has not shown any improvement. The Committee are concerned to note the large accumulation of unsecured advances and Corporation had to write off more than Rs. 4000/- as irrecoverable advances besides a large sum of outstanding advances against employees no longer in service. They, therefore, reiterate their earlier recommendation that strict observance of financial rules by the officers of the Corporation, should be ensured and drastic steps taken for non-adjustment of advances.

C. *Claims for short-delivery|non-delivery of Government consignments.*

Recommendation (Serial No. 19) Paras 6.1 to 6.15

7. In March, 1965, the Company entered into an agreement with the Controller of Stationery, Calcutta for transporting consignments of stationery during the year 1965-66 (period extended in February, 1966 upto 31st March, 1967) from Railway godowns to Government stationery depots in Calcutta and its suburbs. The work was done by the Company by using its own trucks and staff during the period from 1st April, 1965 to 21st December, 1965 and thereafter through the agency of a sub-contractor, M/s. Indian Transport & Forwarding Co. to whom it was awarded on 16th December, 1965 for a period of three months without inviting open tenders and without entering into a formal agreement. The contract was subsequently extended upto March, 1967.

8. The sub-contract was terminated on 31st March, 1967. On this date the sub-contractor (M/s. Indian Transport and Forwarding Co.) had not submitted cart challans relating to 236 Railway receipts which had been handed over to him for clearing, carriage and delivery of the consignments to the Controller of Stationery.

9. Against the dues of the sub-contractor amounting to Rs. 90,277.00 the Company paid a total amount of Rs. 56,210.00.

10. During the period from 1st April, 1965 to 31st March, 1967 the Controller of Stationery preferred claims aggregating Rs. 5.11 lakhs against the Company for demurrage and wharfage charges, short delivery and non-delivery of consignments. Out of these, claims of the value of Rs. 4.63 lakhs pertained to the period during which the

work was done by the sub-contractor. The Controller of Stationery withheld the dues of the Company for transportation charges and reimbursement of wharfage charges which aggregated Rs. 1.01 lakhs.

11. The Company reported the case on 8th/15th March, 1968, to the CBI for a detailed investigation.

12. The unsatisfactory performance of the sub-contractor had come to the notice of the Management in February, 1966 but on the other hand the sub-contract was extended for the period from 1st April, 1966 to 31st March, 1967 without settling the claim of Controller of Stationery.

13. In this connection the Committee observed *inter-alia* as follows:—

> "They have not been informed of the reasons which led the Company to entrust further work to the sub-contractor when it had become known that the earlier claims of the Controller of Stationery had not been settled by the latter ...The Committee hope that the CBI investigation will reveal the true facts and the Company will not only take necessary corrective measures to avoid similar happenings in future but also punish the officials found guilty of various lapses in this case."

14. In reply to the above recommendation of the Committee the Ministry stated as follows:—

> "Necessary action will be taken when the findings of the CBI are available. Meanwhile, the claim of the Central Road Transport Corporation against the Controller of Stationery has been referred for arbitration. The Company has also filed a civil suit against the sub-contractor for the recovery of the losses to the Company in this case. Every care will also be taken to avoid such cases in the future."

15. The Committee desired to know whether the CBI Report on the investigation had been received by Government and if so, what action had been taken on the findings of the CBI. They also desired to be furnished with a summary of Report together with Government's decision thereon.

16. In reply, the Ministry have stated (May, 1972) as follows:—

> "It is not clear from the correspondence exchanged between the CRTC and CBI whether any case is pending against any official of the office of the Controller of Stationery in res-

pect of the transport and clearing agency service provided by the CRTC and its sub-contractors, M/s. Indian Trading and Forwarding Co. or against any official of the firm mentioned above.

It is, therefore, proposed to write to the Central Vigilance Commission to find out the correct position."

17. The Ministry has further informed* (January, 1973) that the Central Vigilance Commission, New Delhi has been requested (in December, 1972) to intimate the present position of the case but no reply has been received from them so far.

18. The Committee expect the Government to take action on receipt of the Report of C.B.I. in the matter.

D. *Unbusiness like Deal*

Recommendations (Serial Nos. 20, 21 and 22) Paras 6.16 to 6.29

19. The Committee regretted to find that unauthorised advance of Rs. 13,000.00 was given to a firm M/s. Truck Line (India) for octroi charges by the then Financial Adviser of the Company who was not competent to make that advance. The Committee felt that the deal conducted by the then Financial Adviser be promptly investigated and action initiated through his parent department, namely Railway Department, for disciplinary and penal action.

20. The Ministry have informed that on enquiry, the records of the Corporation go to show that the previous approval of the Managing Director had been obtained by the Financial Adviser & Chief Accounts Officer for Rs. 12,000.00 but for the remaining amount of Rs. 1,000.00 it has not been possible to trace any papers in the Company's records on this point. The Ministry has further stated that according to the enquiry made, the Managing Director still holds that the responsibility for the advances rested on the FA & CAO and that he merely accorded "sanction to the action taken by him on the basis of his specific request and assurance". The FA & CAO on the other hand, has repudiated any responsibility in the matter and alleged that the prior approval of the Managing Director had actually been taken by him before the advances were made. The Ministry further informed that the position in this regard was under investigation and the result of the investigation as and when completed would be intimated to the Committee.

*Not vetted by Audit.

21. The Committee desired to know whether it had been possible to trace the papers regarding approval of the Managing Director for the balance amount of Rs. 1000.00 and what was the result of investigation being carried out in this regard.

22. The Ministry have stated* (December, 1972) as follows:—

> "It has not been possible so far to trace the papers regarding the approval of the Managing Director, Central Road Transport Corporation for the balance amount of Rs. 1000.00. In this connection it may be mentioned that the erstwhile Managing Director has denied having given any approval for the advances made by the FA & CAO."

23. The Committee regret to note that even after such a long time it has not been possible for the Ministry/CRTC to trace the papers regarding the approval of the Managing Director for the balance amount of Rs. 1000.00. While reiterating their earlier recommendations the Committee fail to appreciate the total lack of responsibility or reaction from the Government about the Committee's remarks concerning Ministry's failures to exercise effective control over the CRTC.

E. *Irregular Payment to a Transport Firm*

Recommendation (Serial No. 24) Paras 6.37 to 6.43

24. The Committee regretted that a sum of Rs. 12,442 was paid to a private transport company as detention charges for which no provision existed in the agreement. Even the fact of detention was not verified by the River Steam Navigation Company for whom services of the private firm were hired. The Committee noted that no action had been taken by the Company on the Note of November 1966 of the Manager of Gauhati Branch suggesting that the party be asked 'to refund the amount over-paid'. The Committee felt that such lapses confirmed the inaction on the part of the Management in this case.

25. In reply, the Government stated as under:—

> "There was no formal agreement between the Central Road Transport Corporation and M/s. Agnigarh Transport Company, which supplied trucks to the River Steam Navigation Company Limited, for compensating the firm

*Not vetted by Audit.

for undue detention of its vehicles. The firm claimed a sum of Rs. 19,285 as detention charges and the Central Road Transport Corporation paid a sum of Rs. 12,442 on the consideration that such charges would eventually be recoverable from River Steam Navigation Company and deferred settlement of the balance amount till its admissibility could be scrutinised further with reference to the records of the River Steam Navigation Company.

The Accounts Officer of the Gauhati Branch of the Central Road Transport Corporation, who was attending to the current duties of the Branch Manager, Gauhati, in addition to his other duties, had recorded a note on the 22nd November, 1967, suggesting that the firm (M/s. Agnigarh Transport Company) should be asked to refund the amount overpaid to them. (The date of the Branch Manager's note was inadvertently mentioned as the 22nd November, 1966, earlier). In compliance with the orders of the Branch Manager, the firm was asked on 6.1.1969 to refund the difference between the aggregate payments of Rs. 38,500 made 'on account' to them and Rs. 26,058/- (which was the amount found admissible on account of bills other than those relating to detention charges) but there was no response from them. Business prudence required that the Central Road Transport Corporation should first have collected the detention charges from the River Steam Navigation Company before making any 'on account' payment to the transport firm against vehicles supplied by it to the River Steam Navigation Company but, unfortunately, this was not done in this case.

The bills for detention charges were received by the C.R.T.C. from the transport firm on the 15th July, 1966 and the 29th August, 1966. The Central Road Transport Corporation submitted its bills on this account to the River Steam Navigation Company on the 15th January, 1967, although the detention is alleged to have occurred in May, June and July, 1966. This liability was not recorded in the books of the River Steam Navigation Company, when the creditors of this Company met on the 30th January, 1967 and agreed to settle their debts at 2/3rd of the River Steam Navigation Company's liability to them. It is difficult at this stage to state the exact reasons for the delay in the submission of the claim against the River Steam Navigation Company

by the C.R.T.C. The note recorded by the Accountant of the Gauhati Branch of the Central Road Transport Corporation will show that the delay in the acceptance of the idling rate by the River Steam Navigation Company was the main reason for delay in submitting bills to them. Copies of the detention bills received from the transport firm were returned to them on the 11th January, 1968 for getting necessary certification from the River Steam Navigation Company. When the certificate was not forthcoming, the transport firm was asked on the 6th January, 1969 to refund the amount already paid. Detention charges amounting to Rs. 4375/- were checked and accepted on the 10th May, 1971 by M/s. River Steam Navigation Company. The question whether legal action is possible against M/s. Agnigarh Transport Company for the recovery of the balance of Rs. 8,067/- is being examined by the Central Road Transport Corporation in consultation with its Solicitors. The point about fixing responsibility for making extra contractual payment of detention charges to the firm will arise only if the balance amount of Rs. 8067/- is found to be unrecoverable from M/s. River Steam Navigation Company.

The Committee will be apprised of the further developments in due course."

26. The Committee are not satisfied at the leisurely manner in which the recovery processes are being pursued.

F. *Conclusion*

Recommendation (Serial No. 25) Paras 7.1 to 7.6

27. The Committee after examining in detail the financial results of this Undertaking noted that networth of the undertaking for the year 1965-66 was Rs. 32.07 lakhs and this networth had been reduced to Rs. 2.09 lakhs in the year 1967-68. The Committee also noted that as on 31st March, 1969 the bad debts were Rs. 0.68 lakhs and doubtful Rs. 4.37 lakhs making a total of Rs. 5.05 lakhs. Thus it was evident that the entire capital invested in this undertaking had been eaten up and was now giving a debit balance of Rs. 2.96 lakhs. The operational cost had been also above the earnings (in 1967-68 the average expenditure per truck mile was Rs. 1.97 and the average earning was Rs. 1.57).

28. The Committee find from the record note of the meeting held in connection with this recommendation on the 3rd February, 1973 presided over by Shri M. G. Pimputkar, Secretary, Ministry of Shipping and Transport that "the consensus was in favour of the closure of the Central Road Transport Corporation unless it was possible for the Company and the Ministry of Railways to come to an agreement/understanding on the basis of which the Corporation could get regular long term contracts for transportation jobs at economic rates."

29. The Committee have also seen the Seventh Annual Report of the Central Road Transport Corporation Ltd. for the year 1970-71 and find that the Company suffered a further loss of Rs. 22.90 lakhs in the year 1970-71. The Committee would, therefore like to emphatically reiterate their earlier recommendation that this Corporation should be wound up as early as possible.

CHAPTER II

RECOMMENDATIONS THAT HAVE BEEN ACCEPTED BY GOVERNMENT

Recommendation (Serial No. 11)

The Committee are not happy to find the financial dealings between the Central Government Undertakings (Fertilizer Corporation of India, Indian Oil Corporation and Central Road Transport Corporation) entering into a stalemate like this. They feel that the matters such as these should be immediately taken up at ministerial level so that the image of the working of the public sector is not tarnished by the mutual disputes. Since the loss incurred in any of the Public Undertakings is ultimately loss to the Government and to the Public exchequer, the Committee would like that an inter-ministry machinery be set up with a view to consider such inter-undertaking disputes and to arbitrate on them expeditiously.

(Paragraph 4.25)

Reply of Government

It is agreed that there should be a proper machinery for settling mutual disputes between public sector undertakings. The Ministries of the Government of India have been advised by the Cabinet Secretariat to inform the public sector undertakings which enter into commercial and other agreements between themselves to make provision for arbitration in their conditions of contract. So far as the C.R.T.C. is concerned, this decision has been brought to their notice.

[Ministry of Shipping & Transport O.M. No. 39-T(41)/70 dated 9-12-1970].

Recommendation (Serial No. 16)

The Committee hope that the Accounting Manual under preparation will satisfy the requirements of Audit in all respects and shall serve as a complete guide to all the officers of the Corporation. They would like the Managing Director to introduce a system of effective internal control to ensure that the instructions laid down in the Manual are fully implemented and that they are not treated as instructions on paper only.

(Paragraph 5.11)

Reply of Government

The Committee's advice has been followed. Steps have been taken to ensure that the instructions in the Accounting Manual are implemented to the extent practicable. It is expected that omissions and commissions will be properly scrutinised by internal auditors and measures evolved to obviate such lapses. A comprehensive Manual of Internal Audit covering the accounting area was adopted at the 40th meeting of the Board of Directors of the Corporation held on 30th June, 1970. It is also proposed to prepare a separate Manual, in so far as the technical area is concerned.

[Ministry of Shipping & Transport O.M. No. 39-T(41)/70 dated 9-12-1970].

Recommendation (Serial No. 18)

The Committee fail to understand why no efforts were made by the Corporation to set up an internal audit organisation earlier. They are of the opinion that the Ministry should have seen that the Internal Audit Organisation was set up in the very second year of the Company's coming into being which would have brought to light the organisational and financial weaknesses of the undertaking and safeguards could have been taken well in time before the company came to such a precarious financial condition.

(Paragraph 5.17).

Reply of Government

It is regretted that the Internal Audit Organisation was not set up earlier. This was obviously due to the anxiety of the Organisation to spend all energies towards securing business and making the Company financially viable.

The Committee's observations have been noted.

[Ministry of Shipping and Transport O.M. No. 39-T(41)/70 dated 9th December, 1970].

Further information called for by the Committee

Please indicate whether the Internal Audit Organisation has been set up now. If so, what is its composition and strength.

[Lok Sabha Secretariat O.M. No. 17-PU/69 dated 15-2-1971].

***Further Reply of Government**

An Internal Audit Organisation has since been set up in the Central Road Transport Corporation. The staff sanctioned for this Organisation is as follows:—

(a) Deputy Chief Accounts Officer.

(b) Assistant Audit Officer.

(c) Three Internal Auditors.

(d) Three Assistants.

The posts of Deputy Chief Accounts Officer and Assistant Audit Officer and one post of Assistant have already been filled. All the three posts of Internal Auditors and two posts of Assistants are lying vacant. The company is taking steps to fill up these posts as soon as possible.

[Ministry of Shipping and Transport O.M. No. 39-T(41)/70 dated 19-12-1971].

*Not vetted by Audit.

CHAPTER III

RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF GOVERNMENT'S REPLIES

Recommendation (Serial No. 1)

The Committee find that the Corporation was set up to meet the emergent and immediate needs of the country arising out of Chinese aggression and the strike by the Pakistan crew of the Joint Steamer Companies. This Corporation has to suffer heavy losses year after year and is not likely to earn profit in the near future. The Corporation suffered a loss of Rs. 14.06 lakhs in 1966-67 Rs. 16.69 lakhs in 1967-68 and Rs. 24.80 lakhs in 1968-69. It appears adequate study of the Corporation's capacity to generate the quantum of work needed to keep it fully engaged was not made by the Government at the time of its establishment. The Committee fail to appreciate the idea of setting up such a Corporation for meeting limited needs of the country without ensuring that the Corporation will be able to raise adequate work to keep it going. The Committee feel that once emergency period was over the Government should have examined whether in the changed situation the Corporation could play its useful role without putting any financial burden on the exchequer. It is regretted that such an assessment was not done. The Committee feel that in future while establishing such Corporations meeting emergent needs a provision should be made for making a compulsory review of its work once the emergency period is over. (Paragraph 1.9).

***Reply of Government**

In the wake of the Chinese aggression, private trucks plying in Assam and North Bengal were withdrawn and transferred to other places. The Railways' capacity had also been strained considerably on account of defence requirements. Moreover, as a result of the strike by the Pakistani crew of the Joint Steamer Companies operating between Calcutta and Assam, the river transport system too was disrupted. On the other hand, it was felt necessary to maintain the movement of essential civil supplies to Assam and, therefore, the development of an alternative mode of transport had to be seriously considered. Shri L. S. Lulla, the then General Manager, Maharashtra State Road Transport Corporation, was asked to make a

*Not vetted by Audit.

rapid review of the requirements of road transport in the area. His conclusion was that it would be necessary to set up an Organisation which should eventually have a fleet of 200 vehicles. It was after consideration of his report that Government decided to set up the Central Road Transport Organisation. The thinking at that time was that it would be possible to find full load for all the 200 vehicles. However, after the vacation of aggression by the Chinese, the strain on the Railways eased. The Government of Assam also decided to set up their own Organisation for transportation work within Assam.

2. In view of these considerations, fresh look at the problem was necessary. The need for the continuance or otherwise of the Organisation was discussed with the representatives of the Government of Assam and the General Manager of the Central Road Transport Organisation. It was considered essential to continue the Organisation as an alternative means of transport since it was evident from the experience following the Chinese aggression and the strike of the crew of the Joint Steamer Companies that dependence on any single form of transport might leave the community absolutely helpless in the event of its dislocation. In the absence of an established Organisation, there was likely to be avoidable difficulty in readily getting not only vehicle but also trained drivers in an emergency. However, it was considered possible to manage, with a fleet of 100 vehicles, to start with, as more vehicles could be added in due course, if considered necessary. It was also agreed that, in order to ensure the smooth flow of traffic, the Assam Government should arrange for the consignment of goods from and to Assam on Government account. Initially, the services would be concentrated between Siliguri and Gauhati but a small fleet should operate between Calcutta and Assam also.

3. Since the pattern of movement by road and river in the north-eastern region had become well established over a long period, it was felt that it would be difficult for the road services to attract cargo under normal conditions and that, in consequence, the Organisation would operate at a loss for some time. But, in view of the larger national interests involved, it was considered that it would be better to suffer the financial burden on the running of the Organisation rather than let the public of the area to go without essential supplies. In this background, the continuance of the Organisation, on a long-term basis, was decided at the highest level.

4. The suggestion of the Committee that, in future, while establishing public sector Corporations for emergent needs, provision for a compulsory review of its working, once the emergency is over,

should be made, has been noted. Since the matter concerns other Ministries also, it has been brought to their notice *vide* this Ministry O.M. No. 39-T(57) 70(i) dated 10-11-1970.

[Ministry of Shipping and Transport O.M. No. 39-T(41)/70 dated 9-12-1970].

Recommendation (Serial No. 2)

The Committee regret that the Corporation did not maintain a proper financial forecasting system and no budget was prepared in advance to inform the Management about the physical and financial targets of the coming year. Absence of such an essential procedure kept the Board in the dark and did not allow the Managing Director to have a grip over the organisation. The Committee feel that most of the ills from which the Corporation had suffered were due to the fact that it did not evolve a scientific system of working for itself. They hope that the changes now introduced will help the Management to have a complete hold on the working of the organisation and would prove beneficial to it. Despite its continuous working under losses the Ministry failed to obtain necessary information and to evolve necessary guidelines to reach at correct management decisions. (Paragraph 2.10).

Reply of Government

Operational forecasts have been prepared for 1969-70 and 1970-71. However, the ills from which the Company had suffered were not entirely due to the fact that it did not "evolve a scientific system of working for itself". The Company has had to incur losses even after the introduction of proper procedures and management reporting. The principal reasons for the losses suffered by the Company are as follows:—

(a) Continuous increase in the cost of operation on account of various factors including increase in the prices of tyres and tubes, high-speed diesel oils, spare parts, motor vehicle taxes, etc. without a corresponding increase in the freight rates in a highly competitive market;

(b) Rise in wages of the employees of the Corporation from time to time including the increase on account of introduction of regular pay scales for drivers, khallasis and mechanical staff of the Company with effect from October, 1968;

(c) Extension of the benefits admissible under the Motor Transport Workers Act, 1961, to the drivers, khallasis and other operational staff of the Company;

(d) Rigid adherence to tender procedures by some of the public sector undertakings, which sometimes compelled the C.R.T.C. to accept freight rates below the actual cost of operation;

(e) 47 days strike by the drivers and khallasis at Kalaikonda in Orissa in 1967-68 and 39 days strike by all the operational staff all over the eastern region in 1968-69;

(f) Dislocation of traffic in North Bengal and Assam areas due to floods almost every year;

(g) Road restrictions imposed by the State Government on the Panskura-Haldia route and undue detention of vehicles at weigh bridges at Paradip;

(h) Premature failure of tyres, propeller shafts, etc. due to uphill climb of vehicles at the unloading points in Paradip;

(i) Absence of proper repair and maintenance facilities; and

(j) Lack of discipline among the workers, especially during the last three years.

2. It is submitted that the Ministry did not fail to obtain necessary information or to evolve necessary guidelines. The Ministry had taken note of the deteriorating financial position of the Corporation and felt that streamlining of procedures and practices was necessary to make it viable. It was for this reason that they appointed a Committee in February, 1967, to enquire into the working of the Corporation and make recommendations. An interim report was submitted by this Committee in June, 1967. Its final report is awaited.

3. In regard to the difficulties mentioned at (g) and (h) in para 1 above, the Managing Director, Central Road Transport Corporation has intimated that the position has since improved. There is no undue detention of vehicles at the weigh-bridge at Paradeep and the unloading plot is also more or less clear of heavy stacks.

[Ministry of Shipping and Transport O.M. No. 39-T(41)/70 dated 9-12-1970[.

Further information called for by the Committee

In the Ministry's replies to Recommendations at S. Nos. 2, 3, 4 and 8, it is noticed that the Government had appointed a Committee to enquire into the working of the Central Road Transport Corporation. An interim report of the Committee was submitted in June, 1967, but the final report has not been submitted so far. Please

furnish five copies of the report, if submitted by now, together with Government's decisions thereon. Five copies of the interim report may also be furnished.

[Lok Sabha Secretariat O.M. No. 17-PU/69 dated 15-2-1971].

Further Reply* of Government

The final report of the Committee appointed by the Government of India to examine the working of the Central Road Transport Corporation Limited was received on the 9th February, 1971. Five copies of this report are enclosed.** The report was placed before the Board of Directors of the Company on the 17th February, 1971 and the recommendations contained therein, which concern the Central Road Transport Corporation, are under the Board's consideration. So far as the recommendations directly relating to the Central Government are concerned, necessary follow up action has been initiated by the Ministry of Shipping and Transport.

The interim report of the Committee is reproduced as Annexure I in the final report of the Committee.

[Ministry of Shipping and Transport O.M. No. 39-T(41)/70 dated 15-9-1971].

Recommendation (Serial No. 3)

The Committee are unhappy to note that the gap between the average earning per truck mile and the average expenditure per truck mile of the Corporation has shown a steep rise—48 paise per truck mile in 1968-69 as against 12 paise in 1966-67. It is evident that this gap has led to huge losses to the Corporation. Unless the Government go into the entire working of the Corporation thoroughly it would be difficult to bridge this gap between average earning and expenditure per truck mile. (Paragraph 2.11).

Reply of Government

The gap between earning per truck Km. and expenditure per truck Km. was 21 paise in 1969-70.

2. The main reason for the unusual gap between the earning and expenditure during 1968-69 was that the workers of the Corporation all over the eastern region had adopted go-slow tactics and eventu-

*Not vetted by Audit.

ally went on a 30-days strike. The underutilisation of the vehicles of the Corporation is reflected in the apparently high cost of operation, because all the over-heads had inevitably to be spread over the limited traffic that was carried during the year. Further, the direct cost of operation in 1968-69 rose by 15.125 per cent* as compared to 1966-67, because of increases in prices of tyres and accessories, motor fuel etc., and in the emoluments of the staff.

3. The Government of India had therefore appointed a Committee to go into the working of the Corporation in February, 1967. The interim report of this Committee was received in June, 1967. A statement is annexed (Appendix I) indicating the main recommendations contained in that report and the action taken on them by the Company. The final report of the Committee is expected shortly.

[Ministry of Shipping and Transport O.M. No. 39-T(41)/70 dated 24th December, 1970].

Further information called for by the Committee

In the Ministry's replies to Recommenations at S. Nos. 2, 3, 4 and 8, it is noticed that the Government had appointed a Committee to enquire into the working of the Central Road Transport Corporation. An interim report of the Committee was submitted in June, 1967, but the final report has not been submitted so far. Please furnish five copies of the report, if submitted by now, together with Government's decisions thereon. Five copies of the interim report may also be furnished.

[Lok Sabha Secretariat O.M. No. 17-PU|69, dated 15-2-1971].

Further Reply* of Government

The final report of the Committee appointed by the Government of India to examine the working of the Central Road Transport Corporation Limited was received on the 9th February, 1971. Five copies of this report are enclosed**. The report was placed before the Board of Directors of the Company on the 17th February, 1971 and the recommendations contained therein, which concern the Central Road Transport Corporation, are under the Board's consideration. So far as the recommendation directly relating to the Central Government are concerned, necessary follow up action has been initiated by the Ministry of Shipping and Transport.

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*Not vetted by Audit.

**Placed in Parliament Library. (Index No. 388.3063R) LI.

The interim report of the Committee is reproduced as Annexure I in the final report of the Committee.

[Ministry of Shipping and Transport O.M. No. 39-T(41)|70, dated 15-9-1971].

Further information called for by the Committee

Position regarding the earnings and expenditure per truck mile of the Corporation for the years 1969-70 and 1970-71 may be indicated.

[Lok Sabha Sectt. O.M. No. 17-PU|69, dated 25-3-1972].

Further Reply of Government

The earnings and expenditure per truck Kilometre of the C.R.T.C. for the years 1969-70 and 1970-71 are as follows:

	1969-70	1970-71
Average earning per truck Kilometre	87.96 p.	89.18 p.
Average expenditure per truck kilometre	108.63 p.	113.08 p.

Similar figures for 1971-72 are not available since the accounts for that year have not been closed.

[Ministry of Shipping and Transport O.M. No. 39-T(41)|70, dated 30-5-1972].

Recommendation (Serial No. 8)

Incessant rise in the percentage of idle vehicle days has become a source of great concern to the Committee. They note that percentage of the idle vehicle days have increased from 30.99 in 1965-66 to 62.17 in 1968-69 indicating thereby gradual lowering down of the efficiency in the management of the Corporation. The Committee fail to understand as to why no investigation have been instituted either by the Corporation or the Government to enquire into the real reasons for the "low on road vehicle days." (Paragraph 2.27).

Reply of Government

As pointed out by the Committee in para 2.25 of their Report, the following factors were responsible for the unduly high percentage of idleness of vehicles of the Central Road Transport Corporation during 1968-69:—

(a) The go-slow tactics adopted by drivers in the Paradeep-Cuttack sector (in Orissa) from November, 1968 follow-

ed by a 39-day strike in February-March, 1969 not only in Orissa but over the entire Eastern Region;

(b) Very bad road conditions both in the Haldia-Panskura and Paradeep-Cuttack routes, resulting in delay in turn around and frequent heavy damages to vehicles;

(c) Tyre-famine from October, 1968 resulting in vehicles being off the road for considerable periods;

(d) Unprecedented floods in North Bengal in October, 1968, resulting in the dislocation of road transport services for over a month;

(e) Undue detention at weighbridges at Paradeep where vehicles had to be weighed twice during each round trip, once with load and again without it;

(f) The failure of the labour contractor at Nergundi to supply adequate labour force;

(g) Shortage of working capital to purchase the required spares and stores in time; and

(h) Unavoidable delay in procuring machinery and setting up a workshop at Nergundi, which is the major operational centre and the absence of any facility in the Panskura-Haldia section.

2. The Corporation and the Government of India were aware of these difficulties which interferred with the successful operation of the Company's services. Since it was expected that the Committee, appointed to go into the working of the Company, would cover this aspect also in their report, it has not been considered necessary to institute a separate inquiry into the reasons for the "low on road vehicle days".

[Ministry of Shipping and Transport O.M. No. 39-T(41)|70, dated 9-12-1970].

Further information called for by the Committee

In the Ministry's replies to Recommendations at S. Nos. 2, 3, 4 and 8, it is noticed that the Government had appointed a Committee to enquire into the working of the Central Road Transport Corporation. An interim report of the Committee was submitted in June, 1967, but the final report has not been submitted so far.

Please furnish five copies of the report, if submitted by now, together with Government's decisions thereon. Five copies of the interim report may also be furnished.

[Lok Sabha Secretariat O.M. No. 17-PU|69, dated 15-2-1971].

Further* Reply of Government

The final report of the Committee appointed by the Government of India to examine the working of the Central Road Transport Corporation Limited was received on the 9th February, 1971. Five copies of this report are enclosed.** The report was placed before the Board of Directors of the Company on the 17th February, 1971 and the recommendations contained therein, which concern the Central Road Transport Corporation, are under the Board's consideration. So far as the recommendations directly relating to the Central Government are concerned, necessary follow up action has been initiated by the Ministry of Shipping and Transport.

The interim report of the Committee is reproduced as Annexure I in the final report of the Committee.

[Ministry of Shipping and Transport O.M. No. 39-T(41)|70, dated 15-9-1971].

Recommendation (Serial No. 5)

The Committee feel that existence of a well equipped workshop is a primary pre-requisite for any transport undertaking. They are surprised that the undertaking did not have even an Automobile Engineer till last year what to say of a well equipped workshop. The provision of Rs. 10 lakhs in the Budget for 1967-68 was a welcome provision. The Committee are surprised at the statement of Managing Director that the provision for workshop in 1967-68 could not be made use of "as arrangements could not be made to purchase the essential machinery" but no evidence was presented before the Committee to convince that the Corporation made all possible efforts to obtain the machinery during that year. The Managing Director had further stated that "later the thinking to set up such a workshop had undergone a change" but no details or reasons were disclosed to the Committee to convince them whether such a change was necessary. The Committee are unable to appreciate that the Corporation did not attach any importance to the setting up of a repair workshop in spite of the interim report (of June, 1967) of a Committee set up by the Government.

*Not vetted by Audit.

**Placed in Parliament Library. (Index No. 388.3063R) LI

The Government also did not show any concern about the deterioration in the efficiency of the management which was taking place. (Paragraph 2.28).

***Reply of Government**

When the Central Road Transport Corporation was started, its operation was confined mostly to Calcutta-Siliguri-Gauhati routes. Three small garages were established accordingly at Calcutta, Gauhati and Siliguri for purposes of routine maintenance. Servicing and repairs were however done at private workshops.

2. In 1965-66, a plot of land measuring about one acre was taken on lease at Taratala for the construction of a Central workshop. It has not been possible to build a workshop as such at this site because this space is barely sufficient even to park the Company's vehicles and the Company has no other place at Calcutta for a garage. All running repairs are however being carried in the limited area. Some major repairs are also being done on 3 or 4 vehicles at a time with the available facilities.

3. In January 1967, the Government of India had asked the Central Road Transport Corporation to submit a scheme for the setting up of a workshop. However, the establishment of the Kulpi Automobile Workshop by the Central Inland Water Transport Corporation in February, 1967 made the setting up of an additional workshop by Central Road Transport Corporation unnecessary. It was considered advisable to augment the facilities provided by the Central Inland Water Transport Corporation at Calcutta instead of duplicating them. It has been decided to expand the C.I.W.T.C. Workshop with a new unit on a four acre plot at Taratala.

4. Facilities for servicing vehicles and executing running repairs were organised at the Nergundi siding of M.M.T.C. from the beginning of 1968. The Central Road Transport Corporation took about 2 acres of land at Jagatpur, not far from Nergundi, as per the decision taken by the Board of Directors at their 31st meeting held on 27th December, 1968. A workshop with essential facilities for carrying out day to day repairs and also some major repairs, has been set up on this plot of land. The workshop has a qualified Engineer, two senior Maintenance Supervisors and 62 mechanics, including some semi-skilled employees.

5. A combined automobile-cum-marine workshop is being jointly set up by C.R.T.C. and C.I.W.T.C. at Pandu. Essential machines

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*Not vetted by Audit.

and equipment have been purchased for setting up a Workshop in the Transit Sheds of the Transport Ministry at Pandu. It has not been possible to start the workshop yet at Pandu, because power connection has not been provided in the premises. The Ministry of Shipping and Transport who could not get the necessary assistance from the Assam State Electricity Board and the N.F. Railways, have moved the C.P.W.D. for this purpose.

A Mechanical Engineer was trained in automobile repairs and posted at Pandu, where he worked for some time. He has now moved to Silchar which has become the principal centre of operation in Assam, for the time being. Since the traffic offering at or near Gauhati is inconsiderable all the tools and mobile equipment at Pandu are proposed to be shifted to Silchar where they are required.

6. The Central Road Transport Corporation has written to the Deputy Commissioner, Darjeeling, for a suitable site for setting up a workshop at Siliguri. He has indicated a plot of land which is not, however, conveniently situated, being at some distance away from the town. Land has also been offered by some private parties and a plot will be selected as early as possible. There is, however, no immediate need for a workshop at Siliguri, because most of the Company's vehicles are being employed at present on the Calcutta|Barauni, Calcutta|Siliguri and Calcutta|Ranchi routes and there is very little Government traffic at or near Siliguri. The Central Road Transport Corporation is trying to transport wooden electric posts from Siliguri to various places near Calcutta, on an experimental basis, for the West Bengal State Electricity Board. If these operations are satisfactory, the Central Road Transport Corporation may enter into a long-term contact with the Electricity Board and put up a workshop at Siliguri early in 1971. Otherwise, it will be sufficient for the Company to organise the necessary facilities by the end of 1971 so that through traffic from Calcutta to Assam is adequately served when the Farakka Barrage is opened for road transport.

7. The entire provision of Rs. 10 lakhs in the Central Government's budget for 1967-68 was not released to the Central Road Transport Corporation during that year. As no expenditure on workshops was anticipated, a sum of Rs. 6 lakhs was released to the Company to enable it, to carry out urgent repairs to its vehicles, and to in our initial expenditure for transportation of iron ore from Kalaikunda to Haldia port for the M.M.T.C. etc. The balance of Rs. 4 lakhs was surrendered.

[Ministry of Shipping and Transport O.M. No. 39-T(41)|70, dated 24th December, 1970].

Further information called for by the Committee

The reasons as to why the Undertaking did not have an Automobile Engineer may please be intimated.

[Lok Sabha Secretariat, O.M. No. 17-PU|69, dated 25-3-1972].

Further Reply of Government

The reason why no Mechanical Engineer with experience in automobile repairs was recruited till January, 1968, was that Shri D. K. Goswami, who was employed as Deputy General Manager in the Corporation from its inception was a qualified automobile engineer and had been working as the Chief Automobile Engineer of the Assam State Transport Department before he joined the C.R.T.C. The Company's fleet consisted of 71 vehicles on 6th March, 1964 when the Corporation was formed and increased to 193 as on 31st March, 1968. All the repairs to the Company's vehicles, which could not be attended to by its small garages, were got done through private workshops under the supervision of Shri Goswami. A Mechanical Engineer with automobile experience was selected in November, 1967 but he declined the offer of appointment and another engineer was employed in January, 1968. At present, the Company has four Mechanical Engineers and four spervisors with experience in automobile Maintenance and Repairs.

[Ministry of Shipping and Transport O.M. No. 39-T(41)|70, dated 30-5-1972].

Recommendation (Serial No. 6)

The Committee are unhappy to read the Report of the Company Auditors to Shareholders on the accounts of 1967-68 regarding the loan taken from M.M.T.C., expressing their dis-satisfaction at the performance of the Corporation. They are surprised to note that the contract with M.M.T.C. was not made available to the auditors for inspection which convinces the Committee that all is not well with the management of the Corporation. The Committee strong-

ly deprecate the attempt on the part of the corporation to conceal the facts from the auditors (Paragraph 3.5).

Reply of Government

The Central Road Transport Corporation has reported that all the available papers regarding the contract between it and M.M.T.C. were duly shown to the Company's statutory auditors. The agreement between the two Companies could not be finalised and signed till 21st July, 1969, because some of the terms proposed by the M.M.T.C. were not acceptable to the C.R.T.C. It is regretted that the position, as indicated above, was not explained in the course of the oral evidence of the representatives of the Corporation before the Committee.

2. The Central Road Transport Corporation's fleet was inadequate to carry 2,200 tonnes of iron ore a day. When the contract with the Minerals and Metals Trading Corporation was concluded in 1967, the Central Road Transport Corporation found it impossible to cope with this large volume of traffic, even after its fleet had been increased, because of the absence of the necessary workshop facilities at Nergundi and various other difficulties inherent in the operations. The Minerals and Metals Trading Corporation had realised this position. This is corroborated by the fact that, though the Central Road Transport Corporation had not been particularly keen on the renewal of the contract after 31st March, 1970, the Minerals and Metals Trading Corporation has been requesting it to maintain a fleet of at least 100 vehicles and carry 1,200 to 1,500 tonnes of iron ore a day for another year (Copy of the M.M.T.C.'s letter is enclosed). (Appendix II).

[Ministry of Shipping and Transport Office Memorandum No. 39-T (41)|70, dated the 9th December, 1970].

Recommendation (Serial No. 8)

The Govervnment allowed this state of affairs to continue without attaching any importance to the increase in the loss. They also failed to realise that by the time the year 1968-69 was over the entire capital will be eaten up by the Corporation in maintaining itself. The Committee strongly deprecate the indifference on the part of the Government to ensure the efficient running of the Undertaking and that the Ministry failed to take any remedial measures in time to arrest this deterioration and loss to the public exchequer. (Paragraph 3.11).

***Reply of Government**

It is submitted that the Government of India attached due importance to the losses suffered by the Corporation and it was for this reason that they appointed a Committee in 1967 to enquire into the working of this Corporation. The composition of this Committee was as follows:—

1. Shri A. K. Mazumdar, Managing Director, Central Road Transport Corporation (upto 31-5-1967).
   Lt. Col. C. H. H. Bowden (upto 4-4-1968).
   Shri K. Srinivasan (from 5-4-1968).
2. Shri Badal Roy, Financial Adviser and Chief Accounts Officer, Central Inland Water Transport Corporation and new Deputy Secretary, Ministry of Shipping & Transport.
3. Shri N. Balkrishna, Indian Institute of Road Transport, Bombay.
4. Shri H. P. Rajkhewa, Director, Assam State Transport, upto 1967.

   Shri B. Hazarika upto 1969-70.

   Shri S. P. Hazarika from April, 1970.

Their terms of reference were as follows:—

(1) To suggest a perspective plan for the development of the activities of the Corporation, keeping in view the objectives leading to the creation of the Corporation.

(2) To examine in the light of this perspective, the following matters and make recommendations:—

(a) The scale of present operations and continuance or otherwise of the routes|areas now operated upon, having regard to the economics of operation route wise;

(b) measures for reducing expenditure and affecting economics on administrative overheads and other fields and strengthening of financial and accounting procedures in the light of a review of the working of the Headquarters and Branch offices;

(c) the serviceability state of the fleet, the adequacy of maintenance and repair facilities, their effectiveness and

*Not vetted by Audit.

cost benefit and proposls for effecting improvement in existing practices and standards;

(d) the adequacy and effectiveness of administrative and financial control over operations.

2. The Committee submitted an interm report in June, 1967. In the light of this Report, the Delhi office of the Corporation was closed and the Delhi-Calcutta services were discontinued. The main recommendations contained in this Report and the position in regard to their implementation have been explained in the reply to Recommendation No. 3. The Committee's final report is expected shortly.

3. Further, the Managing Director of the Company was changed twice, once, on the 1st June, 1967 and again on the 4th April, 1968. From 5-4-68, the Managing Director, Central Inland Water Transport Corporation, another public sector undertaking under the Ministry was appointing as the Managing Director of the Central Road Transport Corporation also. From 1-4-1969, the Chairman of the Central Inland Water Transport Corporation was also appointed as Chairman of the Central Road Transport Corporation, Ltd. The arrangements relating to the appointment of a common Chairman and common Managing Director were made in the interest of close co-ordination between road and inland water transport services in the eastern region. This has led to a variety of economies and improvements both in regard to management personnel and workshop facilities.

4. Further, additional Directors to represent the Ministry of Defence and the private sector were taken on the Board of Corporation in June|July, 1969. It was expected that all these measures would assist in arresting the deterioration in the Company's performance.

The losses were, however, due to the following:—

(i) Rise in wages from time to time including the increase on account of introduction of pay scales for all drivers, khalasis and mechanical staff of the Company from October, 1968 and extra expenditure on account of extension of the Motor Transport Workers Act, 1961, to the Company's operational staff;

(ii) The Central Road Transport Corporation having to accept freight rates below actual cost of operations in the case of some public sector undertakings due to severe competition from the private operators;;

(iii) Absence of proper repair and maintenance facilities and consequent high percentage of idleness of vehicles;

(iv) Continuous increase in the cost of operation on account of various factors, including increase in the prices of tyres and tubes, high speed diesel oil and spare parts and motor vehicles taxes without a corresponding increase in the freight rates in a highly competitive market;

(v) Dislocation of traffic in North Bengal and Assam areas due to floods almost every year;

(vi) Load restrictions imposed by the State Government of West Bengal on the Panskura-Haldia route and undue detention at Weigh-bridges at Paradeep;

(vii) Pre-mature failure of tyres, propeller shafts etc. due to uphil climb of vehicles at the unloading points at Paradeep.

The improvement in the working of the company is borne out by the fact that the earnings amounted to Rs. 90.30 lakhs during 1969-70 as against Rs. 53.29 lakhs in 1968-69.

[Ministry of Shipping & Transport O.M. No. 39-T(41)|70, dated the 24th December, 1970].

Further information called for by the Committee

In the Ministry's replies to recommendations at S. Nos. 2, 3, 4 and 8, it is noticed that the Government had appointed a Committee to enquire into the working of the Central Road Transport Corporation. An Interim report of the Committee was submitted in June, 1967, but the final report has not been submitted so far. Please furnish five copies of the report, if submitted by now, together with Government's decisions thereon. Five copies of the interim report may also be furnished.

[Lok Sabha Secretariat O.M. No. 17-PU|69, dated 15-2-1971].

Further *Reply of Government

The final report of the Committee appointed by the Government of India to examine the working of the Central Road Transport Corporation Limited was received on the 9th February, 1971. Five copies of this report are**enclosed. The report was placed before the Board of Directors of the Company on the 17th February, 1971 and the recommendations contained therein, which concern the Central Road Transport Corporation, are under the Board's consideration. So far as the recommendations directly relating to the Central Government

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*Not vetted by Audit.

**Placed in Parliament Library. (Index No. 388.3063R) LI.

are concerned, necessary follow up action has been initiated by the Ministry of Shipping and Transport.

The interim report of the Committee is reproduced as Annexure I in the final report of the Committee.

[Ministry of Shipping and Transport O.M. No. 39-T(41)|70 dated 15-9-71].

Further information called for by the Committee

The precise economies and improvements achieved as a result of appointment of a common Chairman and Managing Director may be intimated. The extent to which appointment of additional Directors has improved the performance of CRTC may also be indicated.

[Lok Sabha Secretariat O.M. No. 17-PU|69 dated 25-3-1972].

Further Reply of Government

Except the sitting fee for the Board meetings, which is borne by the respective Companies, other expenditure in respect of Chairman, *i.e.*, on house rent and conveyance is shared on 50:50 basis by CRTC and CIWTC. The resultant savings are Rs. 575/- p.m. and Rs. 150|- p.m. on house rent and conveyance respectively.

The remuneration of the Managing Director during 1969-70 and 1970-71 was Rs. 18,614|- and Rs. 12,304|- respectively. Upto 1967-68 the Company had a separate M.D. The expenditure on his remuneration was Rs. 32,522 and Rs. 31,138|- in 1966-67 and 1967-68 respectively.

Both the Companies (*i.e.* CRTC and C.I.W.T.C.) have the common object of providing transport services in more or less the same areas. For efficient and integrated road-*cum*-river services, which are essential for the economy of the North-Eastern region of the country, the Central Inland Water Transport Corporation has very often to depend upon the C.R.T.C. and vice-versa. For major repairs of their vehicles, the C.R.T.C. has to depend almost entirely on the C.I.W.T.C. The appointment of a common Chairman not only provides the necessary liaison between the two Companies at the highest level but has also facilitated decisions, being taken almost immediately, eliminating formal exchange of correspondence. As a result of the arrangement, improvement has been achieved in the following directions:—

(a) Financial irregularities have practically been obviated and accounts are being maintained to the satisfaction of the commercial and Statutory Audit.

(b) Freight realisation is also satisfactory with reference to earnings.

(c) Strict control has been exercised on the purchase of spares and components, advances to employees, recruitment of officers and staff, etc.

(d) Workshop facilities have also been developed to the extent possible at different places.

(e) Continuous efforts have been made to stop malpractices like transport of passengers and to reduce claims for shortages and damages in transit.

(f) Inducement of Government Departments and Undertakings to avail of the Company's service on reasonable freight; and

(g) Removal of interruptions to operations through relaxation of permit restrictions by the personal efforts of the Directors. The additional Directors have been the representative of the Ministry of Defence and a non-official. The Defence Ministry has a large number of vehicles under its control and faces a variety of complex progress relating to the operation and maintenance of the fleet. The experience of the Defence Ministry in dealing with these matters has been beneficial to the Corporation. The inclusion of a non-official with industrial|business background has also been useful to the company in ensuring that its services are run on commercial principles.

[Ministry of Shipping and Transport O.M. No. 39-T(41)|70 dated 30-5-1972].

Recommendation (Serial No. 9)

The Committee find that the position of debts is far from satisfactory. The Corporation has still to realise Rs. 33.46 lakhs from Government and private parties and the percentage of total debtor's to traffic earning as on 31st March, 1968 was 64.3. The primary duty of a commercial undertaking is to see that it realises the debt that is due to it. The Committee found that the undertaking failed to take any worthwhile step to realise its debts so that it has not to borrow money on payment of interest in order to keep it going. They would urge upon the Corporation and the Ministry to take up the question of realisation of these outstanding at a higher level and ensure that at least the undisputed amount is realised by the Corporation immediately. (Paragraph 4.15).

Reply of Government

The book debts of the Central Road Transport Corporation decreased from Rs. 41.60 lakhs as on 31st March, 1968, to Rs. 33.46 lakhs as on the 31st March, 1969. Debts over six months old were Rs. 32.08 lakhs on the 31st March, 1968 while the corresponding figure at the end of March, 1969, was Rs. 27.50 lakhs. Old debts amounting to about Rs. 4.58 lakhs were thus realised in the course of one year (i.e. 1968-69). In addition, a sum* of Rs. 1.44 lakhs and Rs. 0.12 lakhs has since been realised in respect of outstanding as on the 31st March, 1969 and 31st March, 1970 respectively. Between,** 1st April, 1970 and 30th September, 1970 a further sum of Rs. 5.43 lakhs has been recovered.

Further even though the traffic earnings for 1969-70 registered an increase of Rs. 37.01 lakhs over that in the preceding year, the increase in the outstanding sundry debtors was of the order of Rs. 8.74 lakhs only. All this has been possible because of the special efforts made to realise the outstanding debts as early as possible. Two statements showing party-wise (Government Department's Undertakings and private parties) break-up of the sundry debtors as on 31-3-69 together with the amount realised from them during 1969-70 and the amount under dispute are annexed. (Appendices III and IV). The party-wise total in these statements is Rs. 33.70 lakhs. The net figure of outstanding is, however, only Rs. 33.46 lakhs, the difference being on account of some of the accounts showing credit balances also.

2. The percentage of total debtors to traffic earnings for the last five years which is given below will clarify the position further:—

As on	Percentage of total debtors to traffic earnings
31.3.66	74·5
31.3.67	67·3
31.3.68	64·3
31.3.69	62·8
31.3.70	46·7

3. As regards the recommendation that the question of realisation should be taken up at a higher level, so that at least the undisputed amount is realised by the Corporation immediately, the Managing

*Figures not vetted by Audit.

**At the time of factual verification Audit pointed out that 'as the supporting papers in respect of this portion of the Government's reply are not availabe in their office, the facts and figures mentioned therein cannot be verified'.

Director of the Corporation has been in touch with the highest official levels in the various public sector undertakings and other parties as suggested by the Committee. The Ministry has also taken up this issue at Government level with some of the major public sector undertakings.

[Ministry of Shipping & Transport O.M. No . 39-T(41)|70 dated 26-2-1971].

Recommendation (Serial No. 10)

The Committee fail to understand that despite the Managing Director's order not to undertake any business on credit the work on credit has been taken in several cases resulting in accummulation of lakhs of rupees as debtc. The officers committing these lapses have gone scot free. The Committee feel that it is worthwhile to make an investigation in such matters and fix the responsibility even at this stage. The Committee are also surprised that while the top executives of the Management were found to be functioning in an irresponsible manner and in utter disregard of norms and propriety, the Ministry's representative on the Board failed to report to the Government such lapses on the part of the executives.

[Para 4.16]

***Reply of Government**

In April, 1966, the Managing Director of the Central Road Transport Corporation Ltd., Calcutta, had issued instructions that no credit business should be undertaken with private parties unless written instructions to the contrary were issued from the head office and that if any business on credit was still carried on with private parties, it would be done entirely at the risk of the officers and staff concerned.

2. A list showing all debts exceeding Rs. 1000|-, which accrued during the years 1966-67, 1967-68 and 1968-69, is annexed (Appendix V). It will be seen that the additions to sundry debtors were comparatively small. The circumstances in which credit facilities were extended to the different parties shown in the annexed list are being examined. Some of the officers of the Company who had extended these facilities without prior approval of the Managing Director, have already left the Company. The need for and the possibility of taking action against officers who had extended credit facilities without the Managing Director's approval will be considered after all the relevant papers are obtained from the different branches and scrutinised.

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*Not vetted by Audit.

3. The following were the principal cases where difficulties have been experienced in recovering the outstanding amounts:—

(i) M/s. Davenport & Co.

(ii) M/s. Hindustan General Elec. Corporation

(iii) M/s. Truck Lines Ltd.

(iv) M/s. Ghosh Construction

(v) M/s. P. T. Lame

(vi) M/s. Jalan Industries (P) Ltd. (M/s. Ethelwood T.E. M/s J. Thomas M/s. Jalan Nagar South T.E.)

(vii) M/s. A. W. Figgie & Co.

(viii) M/s. A. I. (A)

(ix) M/s. Shaw Wallac

4. While formal orders of the Managing Director, permitting credit transactions with the parties at S. Nos. (ii), (iii), and (ix) are traceable, there is evidence to show that he was aware of credit business with parties at S. Nos. (i), (iv), and (vi). No information is immediately available in respect of the remaining two cases.

5. As regards the Committee's observations regarding the functioning of the top executives of the management and the Ministry's representatives on the Board, it is submitted that 18 meetings of the Board of Directors were held during the 3 years mentioned above. The position regarding outstanding dues to the Company was specifically brought to the notice of the Board in one form or the other in 15 out of these 18 meetings. There were elaborate discussions in many of these meetings expressing concern at the huge accumulation of debts and suggesting ways and means for affecting recovery. The position regarding unrecovered advances was not, however, brought to notice through agenda papers because these related mainly to the Company's own employees. The nature of the Company's operations is also such that some amount of unadjusted advances at the end of each year is inescapable. However, the position in regard to recovery of these advances has considerably improved as will be seen from the fact that only an amount of Rs. 77,000 out of a total unadjusted advance of Rs. 5.60 lakhs as on 31-3-70 pertains to the years 1968-69 and 1969-70.

[Ministry of Shipping & Transport O.M. No. 39-T(41)|70, dated 9th February, 1971].

.. **Further information called for by the Committee**

Circumstances under which Government allowed the Officers of the Company, who had extended credit facilities without the Manag-

ing Director's approval to leave the Company without fixing responsibility and taking action against them, be indicated, after scrutiny of the relevant papers pertaining to these officers. Details regarding the outstanding dues to the Company for the year 1971-72 may be furnished.

[Lok Sabha Sectt. O.M. No. 17-PU|67 dt. 25-3-1972]

Further *Reply of Government

The services of Shri B. K. Sanyal, Branch Manager, were terminated as it was considered that disciplinary or legal proceedings would be protracted and might serve no useful purpose.

The services of Shri J. P. Barooach, Branch Manager, were terminated with effect from 30th September, 1967. He filed a suit in the Calcutta High Court for setting aside the discharge order. His application for interim injunction was rejected by the High Court but the original suit filed by him is still pending.

Responsibility has been|is being fixed and recovery is proposed to be made from some other employees also for default in collection of freight from private parties at the time of delivery.

There are no dues outstanding from private parties in respect of the year 1970-71. However, a statement is enclosed showing the dues (of Rs. 1,000|- and above) from private parties as on 31-3-72 (Appendix VI). These figures are provisional and subject to audit.

[Min. of Shipping and Transport O.M. No. 39-(41)|70 dated 30-5-1972]

Recommendation (Serial No. 12)

The Committee are surprised that the Corporation has taken two years to initiate action in this matter. They feel that even at this late stage the good offices of the Assam Government may be utilised to settle the dispute with M|s. Associated Industries, Gauhati, in which the former is also shareholder.

[Paragraph 4.31]

Reply of Government

The good offices of the Government of Assam were sought in the realisation of the outstanding dues, as suggested by the Committee.

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*Not vetted by Audit

No significant progress has, however, been made despite the Corporation's reference to the State Government. Action has therefore, been initiated to auction the sulphur and appropriate the sale proceeds towards the Corporation's freight dues. Further developments will be intimated to the Committee in due course.

[Ministry of Shipping and Transport O.M. No. 39-T(41)|70 dated 9-12-1970].

Further information called for by the Committee

Further developments in the matter may please be indicated.

(Lok Sabha Secretariat O.M. No. 17-PU|69 dated 15.2.1971).

Further *Reply of Government

The Deputy Commissioner, Kamrup Division has been moved for the sale of sulphur in an open auction. The necessary permission has not been received from him yet.

[Ministry of Shipping and Transport O.M. No. 39-T(41)|70 dated 15-9-71].

Recommendation (Serial No. 13)

The instances narrated above reveal that the Corporation has so far functioned in a most unbusiness-like manner. Credit business had been undertaken in disobedience to the Managing Director's orders. Trucks were hired and consignments carried without executing agreements. These indicate that no proper organisation was created for the company when it was set up. The Committee hope that the Government would draw a lesson from this experience and would take requisite precautions in future, before setting up an organisation by ensuring the availability of right personnel and organisation to it. The Committee do not approve of the lenient view taken of numerous acts of omission committed by the officer of the Corporation and would suggest a comprehensive enquiry may be instituted to locate the responsibility and take action against those held responsible for such default.

[Paragraph 4.53]

***Reply of Government**

A list of all the debts exceeding Rs. 1000|-, which accrued to the Central Road Transport Corporation, during the years 1966-67, 1967-

*Not vetted by Audit.

68 and 1968-69, is annexed (Appendix VII). The circumstances in which credit facilities were extended to the different parties shown in this list are being examined by the Corporation. Some of the officers of the Company who had extended such facilities, without the prior approval of the Managing Director, have already left the Company. The need for and the possibility of taking action against officers who had extended credit facilities without the Managing Director's approval will be considered by the Company after all the relevant records have been obtained from the different branches and scrutinised.

2. The observations of the Committee that a lesson should be drawn from this experience and adequate precautions taken in future before setting up an organisation by ensuring the availability of right personnel will be strictly followed in future. Recruitment Rules have already been framed by the Central Road Transport Corporation and these Rules will take care of the position. The Committee set up by the Ministry to go into the Company's working has examined this, among other problems and has made various recommendations for the Company's guidance.

3. Though none of the officers was charge-sheeted specifically for contravention of the Managing Director's orders banning credit transactions or hiring of trucks and carriage of consignments without execution of agreements, the services of a number of officers of the Corporation had been terminated or returned to the parent cadre on the ground of inefficiency. The unauthorised grant of credit facilities was a point that was specifically considered before discharging one of them. The total number of offiers and staff whose integrity was doubted or whose performance was not satisfactory and who are no longer in the Company's service is as follows:—

Officers	5
Supervisory Staff	2
Clerical Staff	9
Operational Staff (drivers and khalasis)	29

In respect of drivers and khalasis, the information relates to the period from 1968 onwards. Details prior to 1968 are not readily available.

All the officers and staff of the Company have been warned from time to time that no credit should be given to any private party. They are being required to submit a monthly certificate to the effect

that no credit facilities have been given by them in any case without the orders of the Managing Director in writing. Disciplinary action|enquiry is in progress against the following officers|staff:—

Officers	2
Clerical staff	4
Supervisory staff	1
Operational staff (Drivers and Khalasis)	21

[Ministry of Shipping & Transport O.M. No. 39-T(41)|70, dated the 9-2-1971]

Further information called for by the Committee

Names and designations of officers of the Corporation whose services had been terminated or reverted to the parent cadre on the ground of inefficiency should be furnished.

[Lok Sabha Sectt. O.M. No. 17-PU|69 dated 25-3-1972.]

Further reply of Government

The names and designations of the officers whose services were terminated or who were reverted to the parent cadre on grounds of inefficiency are as follows:—

(a) Shri J. P. Barooach, Branch Manager

(b) Shri S. R. Raha, Commercial Officer-*cum*-Deputy General Manager;

(c) Shri A. B. Choudhury, Branch Manager, (he was not discharged but he offered to resign and his resignation was accepted).

[Ministry of Shipping & Transport O.M. No. 39-T(41)|70 dated 30-5-1972].

Recommendation (Serial No. 15)

In spite of repeated glaring acts of financial irregularities and mal-practices the Ministry have kept silent without interfering into the affairs of the Company. This defeats the very purpose of the Ministry's representative on the Board and the Committee feel that the Ministry's representative on the Board should be held responsible for such repeated acts of commission and omission in financial

matters for not having kept the Government informed of the various activities of the Corporation.

Reply of Government

The following facts would show that the Ministry of Shipping and Transport were concerned about the affairs of the Central Road Transport Corporation and took all possible action to improve its working:—

(i) Senior Officers of the Ministries of Shipping and Transport, Finance and Railways, who were dealing with the matters relating to the Company in their respective Ministries, were appointed as directors of the Company. These officers function on behalf of Government in the meetings of the Company's Board of Directors. The overall results of the Company's working and also all matters of policy came up for their consideration, from time to time, as the Company's Directors.

(ii) The concern felt by the Directors of Company about its working is reflected in the minutes of the different meetings of the Board. Extracts from the minutes of some of the meetings are annexed (Appendix VIII).

(iii) The Company have been submitting quarterly reports on its working in the form prescribed by the Ministry of Finance O.M.No.7(1)-PC|63 dated 29-8-63. A copy of the report, which is fairly exhaustive in the extent and nature of the information required, is annexed (Appendix IX). These quarterly reports were scrutinised carefully. That the Government Directors of the Company were not silent would be evident from D.O. Letter No. D-6528-TFS|68 dated 21-11-1968 from the Deputy Secretary, Ministry of Finance, who was also a Director of the Company, to the Company's Managing Director. A copy each of Shri Sundresan's letter and the reply to it is enclosed (Appendices X and XI).

(iv) The Managing Director used to have periodical discussions with the officer of the Ministry on the Company's business whenever he went to Delhi.

(v) There were instructions from time to time from the Ministry of Shipping and Transport to the Company. A report sent by the Managing Director with his D.O. No.

H|AC|58|5403 dated 16-1-1968 indicating the steps he proposed to take to improve the Company's work and a copy of the Ministry of Shipping & Transport's letter No. 2-T (2)/68, dated 12-1-1968 on the C.R.T.C's programme of operations are annexed (Appendices XII and XIII).

(vi) There were questions in Parliament about the Company's working and the material furnished by the Company to the Ministry of Shipping and Transport was always seen by the Joint Secretary|Secretary and Minister of Shipping and Transport.

2. The Ministry were getting periorical reports vide details given in (Appendix XIV) from the Managing Director, C.R.T.C., which were scrutinised by it. This will be evident from the enclosed copy of D.O. letter No. 20-T(7)|67, dated 8-7-1967 (Appendix XV) from Shri R. K. Sharma, Deputy Secretary, Ministry of Shipping and Transport to Shri H. P. Bhattacharjee, Financial Adviser and Chief Accounts Officer, C.R.T.C., who was at that time also acting as its Chairman. The Corporation was asked, from time to time, to take effective steps to arrest the deterioration in its operations. The Ministry had appointed Shri P. C. Mathew, an officer, who had been actively connected with road transport in the former Madras Government and had held various high level posts, as the first Chairman of the Company. Shri Mathew was Chairman, from 6th March, 1964 to 14th October, 1966. Later, from the 12th July, 1967, to the 4th April, 1968, the Managing Director also functioned as the Chairman of the Company. Government appointed Shri B. B. Ghosh, a former Secretary to the Government of India and Chairman of the Commissioners for the Port of Calcutta, as Chairman of the Board of Directors from the 1st October, 1968. The Board of Directors of the Company was strengthened in 1969 by associating senior officials and also by the inclusion of a non-official Director with wide and varied industrial experience.

3. The Government Directors functioned as representatives of their respective Ministries in the Company's Management. All the malpractices and irregularities brought out in the Audit Report could not obviously have come to their notice, since they were only part-time Directors. The Board of Directors, who were mainly concerned with the problems brought up to them for their decision and also with the general working of the Company, had no means of contemporaneously finding out or investigating in detail, the cases which have now been disclosed in the Audit Report. Copies of the agenda notes for the meetings of the Board of Directors are received by the Directors sufficiently in advance, to enable them to get brief-

ed properly regarding Government's views on matters concerning them. The Directors of the Company implemented the policy of the Government and kept a watch on the Company's working to the extent possible. Moreover, as already mentioned, in censuring any acts or procedures followed in the Company from time to time and also in suggesting improvements in the procedures or operations, the Government Directors had, in fact, been discharging their combined functions of Directors as well as officers of the Ministry.

4. It was in the light of a review of the working of the Corporation as revealed by the various reports received from it and the report of discussions in the Board of Directors of the Company, that the Government appointed a Committee in February, 1967 to go into the entire working of the Corporation in detail and make comprehensive recommendations notwithstanding that the Company had not completed even three years of its existence at that time.

(Para 4.63)

[Ministry of Shipping & Transport O.M. No. 39-T(41)/70 dated 28-12-1971].

Further information called for by the Committee

What specific acts of commission or omission on the part of CRTC were brought to the notice of Government by the representative of Government on the Board of Directors and in what manner?

Further reply of Government

It has not been possible to lay hands on the papers where specific acts of commission or omission on the part of the C.R.T.C. were brought to the notice of Government by the representative of the Ministry of Shipping and Transport on the Board of Directors of the Central Road Transport Corporation. However, the Director, representing the Ministry of Transport on the Board of the Company recorded the following note on 5-1-1967 on this Ministry's file containing statements on the operational results of the Company during 1966-67:—

"The operational results of the Central Road Transport Corporation have been rather unsatisfactory during this year. The cost of operations per mile is increasing steadily and a number of vehicles of the Corporation remain off the road due to inadequate repair and maintenance arrangements. The time taken in completing round trips by the vehicles of the Corporation is also more than the normal

prescribed which points to laxity in control. Although the Corporation was set up to operate mainly in the eastern region, it has expanded its activities to far-flung areas such as Kandla, Delhi and Bombay. To sum up, the affairs of the Corporation are not being run in a satisfactory manner and an immediate review of the working of the undertaking is called for."

It was after considering the above observations and suggestions of the Government representatives on the Board of Directors of the Company that the Ministry of Transport eventually decided to appoint a Committee to review all the aspects of the working of the corporation.

[Ministry of Shipping and Transport O.M. No. 39-T(41)/70, dated 8-1-1973].

Recommendation (Serial No. 17)

The Committee are also surprised to learn that most of the vehicles of the Corporation are without milometers. Absence of milometers has been primarily attributed to the non-availability of the services of a qualified engineer to the Corporation. No evidence has been given before the Committee to convince that the Corporation made any attempts to obtain the services of a qualified engineer. The Committee are unable to accept this contention as the country has no dearth of unemployed engineers. The Committee recommended that the Corporation should ensure the installation of milometers to every vehicle. (Paragraph 5.12).

Reply of Government

It is unfortunate if the impression has been created that the absence of milometers was due to the non-availability of a qualified Automobile or Mechanical Engineer in the Corporation. The Corporation has informed us that milometers had been installed but were either deliberately tampered with by drivers or went out of the order in the normal way and could not be promptly repaired. Where a truck was plying regularly on routes on which the operations could be easily supervised and controlled *e.g.* Nergundi—Paradeep route, the Company's interests did not suffer on this account. However, there was a possibility of leakage of revenue by misuse of vehicles during unscheduled trips over long distances. Action has been taken to repair all the milometers and also to ensure their proper maintenance in future. The following table indicates the fleet strength of

the Company and the position about milometers fitted to the vehicles:

No, of Trucks held	No. fitted with Milometers	No. of milometers in working condition	No. of. Milometers out of order	Milometers wanting	Remarks
*274	237	189	48	37	Most of the trucks in which milometers are wanting are vehicles involved in accident which are undergoing major repair.

Action* has been taken to ensure that all vehicles in traffic are fitted with milometers. The Company has also purchased six tachographs, two of which are being fitted on vehicles plying between Nergundi and Paradeep and four on Calcutta based vehicles.

2. In regard to the Committee's remarks about non-supply evidence to indicate that the Corporation made any attempts to obtain the services of a qualified Engineer, it is respectfully submitted that, while there is no dearth of Engineers in general, *qualified* and *experienced* engineers are very difficult to get. The Central Road Transport Corporation and the Central Inland Water Transport Corporation advertised during the last two years both in West Bengal and elsewhere for recruitment of suitable Automobile Engineers in the scale of Rs. 700—1250 which is applicable to the post of Deputy General Manager in the Central Road Transport Corporation. Despite the widest possible publicity, both the companies found very little response from suitable candidates.

[Ministry of Shipping and Transport O.M. No. 39-T(41)/70, dated the 24th December, 1970].

Further information called for by the Committee

What steps the Government have taken or proposed to take to see that all the remaining vehicles of the Company are also fitted with milometers and the milometers already fixed function properly.

[Lok Sabha Secretariat O.M. No. 17-PU/69 dated 25-3-1972].

*Not vetted by Audit.

Further reply of Government

All vehicles are fitted with milometers at present. The engineers and supervisors in charge of different garages of the Company have been supecifically directed to check the milometers from time to time and ensure that they are in working condition.

[Ministry of Shipping and Transport O.M. No. 39-T(41)/70 dated 30.5.1972].

Recommendation (Serial No. 23)

The Committee are unhappy to note that the Company decided to entrust its repair work to a firm without (a) inviting tenders; (b) verifying financial status and technical capability of the party; and (c) executing a formal agreement. The lapse on the part of the Company had not only led to a loss of Rs. 17,270 but had also involved it in an unnecessary litigation. The Committee feel that this is an instance of gross negligence coupled with indifference to duty on the part of the officers of the Corporation and recommend that the officers responsible for this deal deserve to be proceeded against. (Paragraph 6.36).

Reply of Government

The matter was reported to the Central Bureau of Investigation for inquiry. They have recommended that departmental action should be taken against the officer concerned (Shri S. B. Dutta, the Branch Manager of the Company at Gauhati during the relevant period). The Commissioner for Departmental Inquiries under the Central Vigilance Commission has been requested to institute the necessary proceedings against the officer. The results of the proceedings will be communicated to the Committee in due course.

[Ministry of Shipping and Transport O.M. No. 39-T(79)/70 dated 12-2-1971].

Further reply of Government

The Commissioner for Departmental Inquiries under the Central Vigilance Commission is yet to complete the enquiries and submit his report. The result of the enquiries will be communicated to the Committee in due course.

[Ministry of Shipping and Transport O.M. No. 39-T(41)/70 dated 22-11-1972].

CHAPTER IV

RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

Recommendation (Serial No. 7)

The Committee agree that it may not be possible to apportion the losses to the individual factors. But they feel that the factors contributing to such losses year after year are susceptible of detection. The Corporation has suffered losses amounting to Rs. 14.06 lakhs in 1966-67 and Rs. 16.69 lakhs in 1967-68. According to the Audit Report, the losses do not take into account the possibility of bad debts which existed in their loan operations and also the availability of trucks either as a gift or on a scrapped value from the Government. If these advantages were accounted for, then the loss would have been much higher than the losses shown above. The loss of Rs. 16.69 lakhs suffered by the Corporation in 1967-68 as compared to its subscribed capital of Rs. 34.005 lakhs on 31st March, 1968, is nearly 50 per cent.

2. The Committee feel that the continuous increase in losses could have been arrested had the Corporation maintained an effective machinery to detected the factors leading to these losses in time and taken remedial measures promptly. (Paragraph 3.10).

Reply of Government

The factors which have contributed to the losses suffered by the C.R.T.C. as identified by the management of the Company and the Ministry of Shipping and Transport are enumerated below:—

(i) Increase in the cost of fuel, tyres, spares and chassis; hold-ups at ferry ghat and Octroi posts, increase in motor vehicles tax, very bad road conditions between Panskura and Haldia in West Bengal and between Nergundi and Paradeep in Orissa where the Company's operations were concentrated in 1967-68 and 1968-69, undue detention of empty as well as loaded vehicles at the weigh-bridges at Paradeep and general scarcity of tyres, tubes and flaps in the country and floods;

(ii) Strikes by a section of the Company's employees resulting in large scale dislocation of traffic;

(iii) Increase in the wages of drivers, khallasis and mechanical staff, consequent on introduction of regular scales of pay from the 1st October, 1968;

(iv) High percentage of idleness of vehicles on account of inadequate workshop facilities at the operational centres.

2. The factors enumerated at (i) above were completely beyond the Company's control. Similarly, the factors mentioned at (ii) and (iii) also were beyond the Company's control in the context of the conditions prevailing in the eastern region during the relevant period and the employees' demand for increase in wages consequent on rising prices. It may be mentioned that despite all-round increase in the cost of operation, the freight rates that the Company has been getting for the last two/three years were in many cases less than what it used to get in 1964-65 or 1965-66.

3. So far as (iv) is concerned, the following action has been taken to improve the position:—

(a) The Jagatpur workshop which was initially started at Nergundi as a Maintenance Garage, has now been fully developed and is in a position to cope with all running repairs and maintenance of vehicles at Cuttack.

(b) Taratolla Garage at Calcutta is being developed and tenders have been invited for civil construction.

(c) Major repairs of the Company's vehicles are now being carried out in the Rajabhag Dockyard and the Kulpi Automobile Workshop of the Central Inland Water Transport Corporation Limited, another Company under the Ministry of Shipping and Transport. The C.I.W.T.C. has limited facilities at present but is augmenting the facilities to cope with the C.R.T.C.'s requirements also.

(d) Arrangement has been made to build up three months' stock of spares as also to get imported spares from the manufacturers to improve the fleet repair and maintenance position.

(e) Essential plant and machinery have been procured for the newly established Pandu workshop at Gauhati and are now awaiting installation.

(f) A scheme to set up a Maintenance Garage at Siliguri is also under consideration.

[Ministry of Shipping and Transport O.M. No. 39-T(41)/70 dated 23-2-71].

Further information called for by the Committee

Remedial measures Government have taken to detect the factors leading to these losses specially with reference to items (i) to (iii) of the Govts. reply may be intimated. The position regarding losses suffered or profits earned by the Corporation during the years 1969-70, 1970-71 and 1971-72 may be indicated.

[Lok Sabha Sectt. O.M. No. 17-PU|69 dated 25-3-72].

Further Reply of Government

The position is explained below:

Factors like increase in the cost of fuel, tyres, spares, chassis and motor vehicles tax and floods are beyond the Company's control. With the opening of the road bridge over the Ganga at Farakka from 18-2-72, there is no longer any hold-up there. As a result of liaison being maintained with M.M.T.C. and the State Government Authorities, there is practically no detention now at the weigh bridges. With the imposition of octroi in the Calcutta Metropolitan District Area, all vehicles entering that area are being subjected to long delays. The road condition between Panskura and Haldia has now considerably improved. With the opening of the Daitari Mines—Paradeep Express Highway, which is now used by the Company's trucks, the problem of bad road condition in that sector does not exist. The scarcity of tyres, tubes and flaps in the country still persists. The Government of India in the Ministry of Industrial Development have communicated the minimum requirements of the State Road Transport Undertakings to the tyre industry with the request to ensure that these requirements are met to the greatest extent possible.

Despite the Company's meeting all the economic demands of the employees, strikes and go-slow and work-to-rule methods have almost become regular features. The operational staff of the Company in the Eastern region were on strike for 47 days and 39 days in 1967-68 and 1968-69 respectively. All the employees of the Company in the Eastern region were also on 19 days strike in 1971-72. The work was also generally dislocated for some time before the strikes were actually launched and resumption of normal work after the strikes has also taken time.

There have been further increases in the emoluments of all the employees through merger of D.A. with pay and grant of interim relief.

The loss suffered by the Company during 1969-70 and 1970-71 was Rs. 21.36 lakhs and Rs. 22.90 lakhs respectively. The account for the year 1971-72 have not so far been closed.

[Ministry of Shipping and Transport O.M. No. 39-T(41)/70 dated 30-5-1972].

Comments of the Committee

Please see paras 1 to 3 of Chapter I of the Report.

Recommendation (Serial No. 14)

The Committee are surprised to find a laxity in maintenance of Advance Accounts and in the recovery adjustment of amounts advanced. They are also very much concerned to note the large accumulation of unsecured advances. The normal limit of advances is stated to be Rs. 2 lakhs, whereas the outstanding advances have ranged between Rs. 4.35 to Rs. 6.59 lakhs during the last four years. The Committee are of the opinion that even the minimum financial restraint was not practised in regard to grant of advances with the consequence that the limit was exceeded by two to three times during four years. The Committee strongly recommend the strict observance of financial rules by the officers of the Corporation in future. They would like to be informed of the recovery/adjustment of the advances outstanding as on 31st March, 1969, the magnitude of irrecoverable amounts and the action taken against the defaulters.

(Paragraph 4.62).

Government's Reply

According to the final accounts for the year 1969-70, the figure of advances as on 31st March, 1970, was Rs. 5.605 lakhs as against Rs. 6.59 lakhs as on 31st March, 1969. While efforts are being made to collect the amounts due from the persons, who are still in the employment of the Company, action is also being taken for the recovery/adjustment of dues from the former drivers and other staff, who are no longer in the service of the Company. The question whether any part of the amount requires to be written off is also being examined simultaneously.

2. The details of cases so far processed are given below:—

Name of employee	Total advance outstanding against the person	Amount adjusted against the employee's dues	Amount written off
	(Rs.)	(Rs.)	(Rs.)
1. Shri Manual Orang .	522·49	400·00	122·49
2. Shri R. H. Bhuyan .	376·00	280·59	95·41
3. Shri Kusum Lamba .	186·00	158·55	27 45
4. Shri Lal Bahadur Gurung	12·67	—	12·67
5. Shri Ramesh Sarma .	3·10	—	3·10
6. Shri Naina Bahadur Lama	30·00	30·00	—
Shri Kumud Bharma .		125·75	—
8. Shri P. P. Lyndoh .	67·92	67·92	—

3. The other cases where advances had been given are also being similarly processed. The position in this respect has been explained in detail in the reply to Serial No. 15. An assessment of the amount that is likely to prove irrecoverable is being made.

4. The Corporation has tightened the procedures for enforcing strict observance of financial rules by the officers of the Corporation.

[Ministry of Shipping and Transport O.M. No. 39-T(41)/70 dated 14-1-1971]

Further information called for by the Committee

Please indicate the magnitude of the irrecoverable amounts and the action taken against the defaulters.

[Lok Sabha Sectt. O.M. No. 17-PU/69 dated 15-2-1971].

Further reply* of Government

The irrecoverable amounts cannot be assessed just now. Each case is being examined separately and action is being taken to realise as much as possible and to write off the balance. The irrecoverable advances to the extent of Rs. 4,110.05 outstanding against 33 employees.

*Not vetted by Audit.

who are no longer in the service of the Company, have so far been written off or otherwise adjusted against money due to them.

[Ministry of Shipping and Transport O.M. No. 39-T(41)/70 dated 15-9-71].

Further information called for by the Committee

Details regarding names, designation, etc. of the persons who are no longer in the service of the Company and those who are still in the employment of the Company against whom advances are outstanding and the efforts being made by the Company for the recovery of these dues may be intimated. Details of fresh advances may also be intimated.

[Lok Sabha Sectt. O.M. No. 17-PU|69 dated 25-3-72].

Further reply* of Government

All cases of outstanding advances are under constant scrutiny and action for recovery or adjustment against dues is taken regularly. Progress in the settlement of individual advance accounts is reported to the Managing Director. The nature of the Company's operations is such that payment of advances to the operational staff is unavoidable.

The position of outstanding advances was as follows:—

31-3-69	Rs. 6·59 lakhs
31.3.70	Rs. 5·60 lakhs
31.3.71	Rs. 5·14 lakhs

The statements showing the position as on 31-3-71 are enclosed (Appendices XVI and XVII). The position as on 31-3-72 will be known only after the accounts for that year are closed.

[Ministry of Shipping and Transport O.M. No. 39-T(41)/70 dated 30-5-72].

Comments of the Committee

Please see paras 4 to 6 of Chapter I of the Report.

Recommendation (Serial No. 19)

The Committee are amazed at the inept handling of this case from the very beginning by the Corporation. They have not been informed

*Not vetted by Audit.

of the reasons which led the Company to entrust further work to the sub-contractor, when it had 'become known that the earlier claims of the Controller of Stationery had not been settled' by the latter. They are also surprised that the Corporation in its anxiety to explain the issue has stated that the 'Controller of Stationery cannot also be absolved of his responsibility for acquiescing in the unsatisfactory services which have eventually landed him and the Company in avoidable losses and litigation'. The Committee feel that the C.R.T.C. having employed a sub-contractor was fully responsible for the faithfull execution of the work, consequently it was its duty to ensure that the contractor executed the job entrusted to him honestly. In the Committee's view, the argument of the Company that the Controller of Stationery was also responsible for this unfortunate state of affairs, is hardly tenable. The Company should own its responsibility and do its best to settle the issue. The Committee hope that the C.B.I. investigation will reveal the true facts and the Company will not only take necessary corrective measures to avoid similar happenings in future but also punish the officials found guilty of various lapses in this case. (Paragraph 6.15).

Reply of Government

It is regretted that this unfortunate case has occurred. Necessary action will be taken when the findings of the C.B.I. are available. Meanwhile, the claim of the Central Road Transport Corporation against the Controller of Stationery has been referred for arbitration. The Company has also filed a civil suit against the sub-contractor for the recovery of the losses to the Company in this case.

Every care will also be taken to avoid such cases in the future.

Further information called for by the Committee

Please indicate if the C.B.I. Report on the investigation has been received by Government and, if so, what action has been taken on the findings of the C.B.I. A summary of the report together with Government's decision thereon may please be furnished for the information of the Committee on Public Undertakings.

[Lok Sabha Sectt. OM No. 17-PU|69 dt. 25-3-72].

Further reply of Government

It is not clear from the correspondence exchanged between the CRTC & CBI whether any case is pending against any official of the office of the Controller of Stationery in respect of the transport and clearing agency service provided by the C.R.T.C. and its sub-con-

tractors, M/s. Indian Trading & Forwarding Co. or against any official of the firm mentioned above.

It is, therefore, proposed to write to the Central Vigilance Commission to find out the correct position.

[Ministry of Shipping and Transport O.M. No. 39-T(41)70 dated 30-5-1972].

Comments of the Committee

Please see paras 7 to 18 of Chapter I of the Report.

Recommendation (Serial No. 20)

The Committee regret to find that unauthorised advance of Rs. 13,000 was given to a firm for octroi charges by the then Financial Adviser of the Company. As the Managing Director informed the Committee, the Financial Adviser was not competent to make that advance, the Committee feel that the deal conducted by the then F.A. be promptly investigated and action initiated through his parent department, namely Railway Department, for disciplinary and penal action as the case may be.

Curiously enough, the shabby transaction relating to the advance of Rs. 13,000 came to the notice of the Ministry when the matter was under examination of the Committee. The Committee feel that the Transport Ministry, which are controlling the Undertaking, have shown acute indifference to performing their normal and reasonable duty, and it should be enquired and established why such a glaring case of irregularity did not come to the notice of the Ministry in time. It is evident from this that the Ministry even did not care to go through the Audit Report (Commercial) where all these facts are mentioned and which was presented to Parliament as far back as in April, 1969.

(Paragraph 6.25)

Recommendation (Serial No. 21)

The Committee regret the way this particular deal was transacted especially when the past dealings of the firm with the Company

had not been satisfactory. Neither any formal agreement was signed with the firm nor was any security deposit obtained. The Committee are also surprised that the observations made by the Board at its meeting held in November, 1966, that the "arrangements made with M/s. Trucklines (India) Ltd., were contrary to the canons of financial propriety and in violation of the principles approved by the Board at their meeting held on 14th October, 1965" did not attract Government's attention. They feel that the Ministry's representative on the Board has failed in his duty as he did not bring the serious charges made by the Board to the specific notice of the Ministry. They feel that the Government's representatiive on the Board of Directors owes greater responsibilities in so far as he is expected to safeguard the financial interests of the Government. The Committee hope that Government will study the details of the case and lay down proper guildelines for the Government's representatives on the Boards of the Public Undertakings and emphasise the Necessity of serving them.

(Paragraph 6.28)

Recommendation (Serial No. 22)

The Committee recommend that the conduct of this particular officer, Managing Director and the Ministry's representative, who failed to report it to the Ministry, be enquired into and resposibility fixed.

Reply of Government

(Recommendations Nos. 20, 21 and 22)

Under an arrangement with M|s Truck Lines (India) Calcutta, the Central Road Transport Corporation used to make advances to them for hiring of private trucks for carrying cargoes of other parties on behalf of the Corporation. (Although the draft agreement provided for payment of freight charges and advances directly to the owner of the hired vehicles,* presumably it was later considered expedient to make payments through M|s Truck Lines (India) Limited. Out of the total advances of Rs. 13,100 made to this firm, a sum of Rs. 10,100 represented advances for the hiring of private trucks and Rs. 3,000 on account of octroi and insurance charges.

2. The statement of the Managing Director, C.R.T.C. before the Committee on Public Undertakings that the Financial Adviser and

*At the time of factual verification, Audit stated that 'the basis of presumption made is not susceptible of verification'.

Chief Accounts Officer (Shri O. P. Sharma) was not competent to make the advances was based on:—

(i) The note submitted by the Managing Director in the nineteenth meeting of the Board of Directors held on 17-11-66 in which it was stated that Shri Sayal approached the the then F.A. & C.A.O. and convinced him of the merits of a deal where the Corporation had to advance some money to him as hire charges, and

(ii) the record of the discussions in the Board, as prepared by the Managing Director, according to which the Managing Director had to explain that the deal had been entered into by the former F.A. & C.A.O. without the Managing Director's knowledge or approval . The M.D.'s version of the minutes was, however, not accepted and the Board approved the draft as circulated by the Secretary, which did not contain any statement that the deal had been entered into without the knowledge|approval of the M.D.)

On further enquiry, however, it was found that the previous approval of the Managing Director had been taken by the F.A. & C.A.O. before advances to the extent of Rs. 12,100 were made. The F.A. & C.A.O. has pleaded that the approval of the Managing Director had been obtained for the balance of Rs. 1,000|- also but it has not so far been possible to trace any papers in the Company's records on this point. However, the position in this regard is under investigation, and the result of the investigation, as and when completed, will be intimated to the Committee.

3. There was no occasion for the present Managing Director, C.R.T.C. earlier to go into the various files by reference to which the former F.A. & C.A.O. has been able to substantiate his statement that he had taken the prior approval of Shri A. K. Mazumdar, the then Managing Director, for making the advances in question. The reason is that in a commercial undertaking like the C.R.T.C., the necessity to scrutinise the old records hardly arises, unless there is any litigation or dispute. It was only because he had been personally involved in the matter that Shri Sharma helped the Company in locating the papers. Consequently, the evidence tendered by the Managing Director could have been based only on the papers immediately available, especially those which had been placed before and considered by the Board of Directors of the Company. The normal presumption is that these papers are authentic and at any rate the Managing Director acted on this presumption.

4. When the Committee on Public Undertakings desired that prompt investigation should be made and action initiated against the F.A. & C.A.O. concerned, an opportunity was afforded to Shri O. P. Shrama and also to Shri A. K. Mazumdar, who had been the Managing Director during the relevant period, to give their explanation before further action was taken. It will be evident from Shri Mazumdar's letters dated 7-10-70 and 29-11-70 (Appendix XVIII) that he still holds that the responsibility for the advances rested on the F.A. & C.A.O. and that he merely accorded "sanction to the action taken by him on the basis of his specific request and assurance." Shri Sharma has repudiated any responsibility in the matter and alleged that the prior approval of the Managing Director had actually been taken by him before the advances were made. As stated in para 2 above, the records of the Corporation go to show that the previous approval of the Managing Director had been obtained by the F.A. & C.A.O. for all the advances except the advance of Rs. 1,000|- in respect of which the position is under investigation.

5. Unlike Government, where detailed rules of financial delegation exist to cover expenditure from Government funds the rules of the C.R.T.C., ast hey had been shaped in the early stages of the Company's working, did not cover advances and other payments of a similar nature.

Copies of the Delegation of Financial Rules in Force in the earlier stages are enclosed. (Appendix XIX) when the business of this undertaking was run departmentally (various powers had been delegated on 2-3-63 to the Officer on Special Duty in charge of the Organisation. Later, when the undertaking was transferred to the C.R.T.C. Ltd. certain powers were delegated to the Managing Director at the first meeting of the Board of Directors of the company held on 18-3-64. These included "any powers necessary for the day-to-day management of the affairs of the Company." Further powers were delegated from time to time e.g. at the second meeting of the Board held on 15-5-64 and the ninth meeting held on 15-7-65. *All these meetings were attended by Government Directors, who presumably conveyed the Government's points of view to the Company. Consequently the delegation of powers made from time to time could be taken to have been made with Government's knowledge. In 1968, Government specifically desired that the powers delegated by the Boards to the Chief Executives and Heads of Department of the different public sector enterprises should be revised suitably in the light of certain recommendations made by the

*At the time of factual verification, Audit stated that the basis of the statement that 'all these meetings were attended by Government Directors who presumably conveyed the Government's points of view to the Company' is not susceptible of verification'.

Administrative Reforms Commission (Vide Ministry of Finance (Bureau of Public Enterprises) O.M. No. 2(iii)|68—BPE(GM), dated 25-6-68 which were communicated to the C.R.T.C. by the Ministry of Shipping and Transport in their letter No. 39—T(68)|68 dated 14-11-68, a copy of which is at (Appendix XX).

6. Necessary rules have since been framed by the Corporation to ensure that no unauthorised payments are made; these rules were adopted at the forty-first meeting of the Board of Directors of the C.R.T.C. Ltd., held on 20-8-70. The existing rules of delegation in the Company take due note of some orders in force in Government departments and Government undertakings. Copies of the powers delegated to the Managing Director from time to time together with the rules, currently in force, are annexed (Appendix XIX).

7. Advances are unavoidable and constitute a normal feature in any commercial business. But the points for consideration on each occasion, when an advance is given, are whether it is in the interest of the organisation and whether it is also essential. As the Managing Director had the powers "necessary for the day-to-day management of the affairs of the Company" and advances against charges for the hire of trucks were normal incidence of business, the advances were within his competence.

8. The draft audit para on the subject was received by the Ministry from the Director of Commercial Audit on 20-6-1967. On the basis of the comments obtained from the Managing Director, C.R.T.C., a reply was sent to the Audit on 16-8-1967. The material contained in the draft para was again included as para 12(ii) of the draft review which was forwarded to the Ministry of Shipping and Transport with the former Director of Commercial Audit letter No. 2116—Report (General)|4(5)|68-69 dated 17-9-68. The Ministry in their reply No. 39—T(56)|68 dated 12-3-1969 stated that the matter was subjudice.

9. M|s. Truck Lines (India) carried the goods of M|s. Hindustan General Electric Corporation Ltd., from Karampura to New Delhi, Bombay, and Madras in the private trucks hired by them out of the advances received from the Central Road Transport Corporation. On the basis of the details furnished by M|s Truck Lines (India), the Central Road Transport Corporation submitted their bills amounting to Rs. 21,885.91 to M|s. Hindustan General Electric Corporation on the 18th and 29th October ,8th and 22nd November and 9th December, 1966. In reply to a reference from the Central Road Transport Corporation, M|s. Hindustan General Electric Cor-

poration stated on 21-3-1967 that they had already paid an amount of Rs. 8,815.70 to M|s. Truck Lines (India) against the bills submitted by them in respect of three consignments. Since M|s. Truck Lines (India) were not authorised to realise the freight on behalf of the CRTC, a suit was filed on 20-3-1967 against M|s. Hindustan General Electric Corporation Ltd., for the recovery of freight amounting to Rs. 21,885.91. The case is still pending in the High Court and the Corporation is in close touch with its advocate for getting the suit expedited. If the C.R.T.C. succeeds in recovering the full amount of the freight, the question of making further recoveries on this account from M|s. Truck Lines (India) will not arise. A civil suit for the recovery of the entire amount advanced to M|s. Truck Lines was also filed by the C.R.T. in the Calcutta High Court on 20-3-1967. This is also pending in the court.

10. Full facts in regard to the transaction with M|s Truck Lines (India) were furnished in reply to the Committee's Questionnaire. This would go to establish the Ministry's concern over the entire case and the attention given by them to it. The amount of Rs. 13,100 was advanced to the firm, not as a lump sum, but in six instalments, as under:—

Date	Amount	Particulars
(i) 7-10-65	Rs. 600	Advance for hiring one private truck for Delhi trip.
(ii) 8-10-65	Rs. 2000	Advance for lorry hire charges for two trips to Bombay
(iii) 8-10-65	Rs. 3000	Advance on account of octroi and insurance charges for one truck to Delhi and two trucks to Bombay.
(iv) 18-10-65	Rs. 500	Payment towards the lorry hire charges after adjusting Rs. 600 paid in advance for Delhi trip.
(v) 19-10-65	Rs. 6000	Advance for lorry hire charges for two trips to Madras one trip to Delhi and one trip to Bombay.
(vi) 29-10-65	Rs. 1000	Advance for lorry hire charges for one trip to Bombay.
	Rs. 13100	

In view of the small amounts involved, there was no occasion for the Ministry to find out whether the advances were covered by the Company's rules of financial delegation. There has been no neglect of duties on the part of the representatives of the Ministry of Shipping and Transport on the Board of Directors of the Company. The Ministry cannot obviously interfere in the day-to-day business of the company and directly call for explanation from the M.D. or F.A. & CAO for any financial irregularities that might have

come to the notice of the Board of Directors of the Company. The Board (which included officers of the Ministries of Finance and Shipping and Transport), expressed their dissatisfaction over the transaction at the nineteenth meeting of the Board of Directors held on 17.11.1966 and desired that the Managing Director should urgently take further action to finalise the case and submit a fresh report within a month. They specifically pointed out that the arrangements made with Shri Sayal were contrary to the canons of financial propriety and in violation of the priciples approved by the Board at their meeting held on 14-10-65, which are reproduced below:

(i) The booking of the goods should be on the Company's challans and not those of any other transport company or booking agents or commission agent and the challans should be prepared by the Corporation's employees and it should not bear the stamp of any other person in any form.

(ii) The consignor should agree in writing to pay the freight direct to the Corporation and not to any other person and he should pay at least 90 per cent immediately on presentation of the consignee's receipt.

(iii) Trucks should be hired from fleet owners of good standing.

(iv) The sub-contractor or commission agent, if any, to whom the work of hiring private trucks and despatching the goods therein may be entrusted, should deposit a cash security of Rs. 5,000|- and his commission should be paid only after recovery of the freight.

11. The Ministry's representative intervened in the following meeting to maintain that the transaction with Shri Sayal was not in accordance with the pricinples approved by the Board. The Ministry's nominee represents the Government and it is not necessary for him to make a formal report to Government in regard to each item coming up before the Board. At the meeting, the M.D. explained the steps which had been taken to implement the Board's decision (e.g. filing of civil and criminal suits against Shri Sayal). The Board obviously felt that these steps were adequate in the circumstances of the case.

12. As regards the suggestion for laying down guidelines for Government representatives on the Boards of the Public Sector Undertakings, the Ministry of Finance (Bureau of Public Enterprises) have already issued instructions to all the Ministries of the Government of India on 7.7.1969 indicating the responsibility of the administrative Ministries in regard to the performance of public enterprises. These instructions *inter-alia* envisage that the administrative Ministries

should develop appropriate arrangements for suitable briefing of Government Directors on the Boards of Management of pubilc enterprises and an effective reporting system, followed by performance review meetings. A copy of the relevant O.M. No. 2(34)|69-BPE (GM) dated 7-7-69 is attached (Appendix XXI). The Bureau has also issued guidelines highlighting the major areas relating to the management of a public enterprise (*viz.* production management, materials management, financial management construction management, general management, management development and training formulation of rational and objective system of appraisal for managers, management control and information system and marketing management) which should receive particular attention of the Board of the concerned undertaking.

13. The conclusion in escapable from the records available that Shri Sayal had played a confidence trick on the Company as stated by the M. D. in his evidence before the Parliamentary Committee. The then M.D is disillusionment appears to have started on 28-1-1966 when he addressed a letter to the Chairman, Calcutta State Transport Corporation, who was also Chairman of the Indian Institute of Road Transport (Eastern Region) requesting for his good offices in inducing Shri Sayal, the Hony. Secretary of the Calcutta Branch of the Institute, to clear his dues to the Company. A copy of this letter is annexed (Appendix XXII). The transaction with Shri Sayal and M|s. Trucks lines (India) were not prudent or desirable but Government are of the view that the bonafides of the Managing Director could not be doubted having regard to the action he took as soon as he realised how unscrupulous Shri Sayal was.

14. In view of the position explained above it is felt that there is no scope for any enquiry into the conduct of the Officer who was working as Managing Director during the relevant period or the Ministry's representative on the Board of Directors with a view to fixing responsibility. Even if such an enquiry is conducted, it may not be fruitful. In the absence of any evidence of mala fide, the Ministry respectfully submits that the matter may be treated as closed.

[Ministry of Shipping & Transport O.M. No. 39—T(41)|70 dated 10-11-1972].

Comments of the Committee

Please see paras 19 to 23 of Chapter I of the Report.

Recommendation (Serial No. 24)

The Committee regret that a sum of Rs. 12,442 was paid to a private transport Company as detention charges for which no provi-

sion existed in the agreement. Even the fact of detention was not verified by the River Steam Navigation Company for whom services of the private firm were hired. No action seems to have been taken taken by the Company on the Note of November, 1966, of the Manager of the Gauhati Branch, suggesting that party be asked 'to refund the amount over paid'. The Committee feel that such lapses confirm the inaction on the part of the Management in this case.

[Paragraph 6.43]

Reply* of Government

There was no formal agreement between the Central Road Transport Corporation and M|s. Agnigarh Transport Company, which supplied trucks to the River Steam Navigation Company Limited, for compensating the firm for undue detention of its vehicles. The firm claimed a sum of Rs. 19,285 as detention charges and the Central Road Transport Corporation paid a sum of Rs. 12,442 on the consideration that such charges would eventually be recoverable from River Steam Navigation Company and deferred settlement of the balance amount, till its admissibility could be scrutinised further with reference to the records of the River Steam Navigation Company.

2. The Accounts Officer of the Gauhati Branch of the Central Road Transport Corporation, who was attending to the current duties of the Branch Manager, Gauhati, in addition to his other duties, had recorded a note on the 22nd November, 1967 suggesting that the firm (M|s. Agnigarh Transport Company) should be asked to refund the amount over paid to them. (The date of the Branch Manager's note was inadvertently mentioned as the 22nd November, 1966, earlier). In compliance with the orders of the Branch Manager, the firm was asked on 6-1-1969 to refund the difference between the aggregate payments of Rs. 38,500|- made 'on account' to them and Rs. 26,058|- (which was the amount found admissible on account of bills other than those relating to detention charges) but there was no response from them. Business prudence required that the Central Road Transport Corporation should first have collected the detention charges from the river Steam Navigation Company before making any 'on account' apyemnt to the transport firm against vehicles supplied by it to the River Steam Navigation Company but, unfortunately, this was not done in this case.

3. The bills for detention chrages were received by the C.R.T.C. from the transport firm on the 15th July,1966 and the 29th August,

*Not vetted by Audit.

1966. The Central Road Transport Corporation submitted its bills on this account to the River Steam Naviagtion Company on the 15th January, 1967, althuogh the detention is alleged to have occurred in May, June and July, 1966. This liability was not recorded in the books of the River Steam Navigation Company, when the creditors of this Company met on the 30th January, 1967, and agreed to settle their debts at 2|3rd of the River Steam Navigation Company's liability to them. It is difficult at this stage to state the exact reasons for the delay in the submission of the claim against the River Steam Navigation Company by the C.R.T.C. A copy of the note recorded by the Accountant of the Gauhati Branch of the Central Road Transport Corporation is enclosed (Appendix XXVIII). This will show that the delay in the acceptance of the idling rate by the River Steam Navigation Company was the main reason for delay in submitting bills to them. Copies of the the detention bills received from the transport firm were returned to them on the 11th January, 1968 for getting necessary certification from the River Steam Naviation Company. When the certificate was not forthcoming the transport firm was asked on the 6th January, 1969 to refund the amount already paid Detention chrages amounting to Rs. 4,375|- were checked and accepted on the 10th May, 1971 by M|s. River Steam Navigation Company. The question whether legal action is possible against M|s. Agnigarh Transport Company for the recover of the balance of Rs. 8,067|- is being examined by the Central Road Transport Corporation in consultation with its Solicitors. The point about fixing responsibility for making extracontractual payment of detention charges to the firm will arise only if the balance amount of Rs. 8067|- is found to be unrecoverable from M|s. River Steam Navigation Company.

4. The Committee will be apprised of the further developments in due course.

[Ministry of Shipping and Transport O.M. No. 39-T(41)|70 dated 22-9-1971].

Comments of the Committee

Please see paras 24 to 26 of Chapter I of the Report.

CHAPTER V

RECOMMENDATIONS IN RESPECT OF WHICH FINAL REPLIES OF GOVERNMENT ARE STILL AWAITED

Recommendation (Serial No. 25)

The foregoing pages not only reveal a dismal picture of the operational and functional activities of the Central Road Transport Corporation Ltd. but also indicate that the Corporation has neither justified its existence nor served the purpose for which it was created.

After going through the Audit Report and also examining the undertaking and the Ministry the Committee have come to the conclusion that this is a fit case for Instituting a proper enquiry, either by the Ministry or under the provisions of the Company Law, to enquire into the working of this Undertaking and to recommend to the Government what action need be taken against the various officers of the Ministry and of the Undertaking who are responsible for bringing the Company to the financial losses whereby the entire capital has been wiped out and also to recommend what remedial actions be taken to ensure that such things do not happen in future either in this undertaking or in any other public undertaking. A thorough enquiry and report of this Committee will be helpful to the Government to streamline their machinery and control over the various public undertakings.

The Committee have examined in detail the financial results of this undertaking and have noted that network of the undertaking for the year 1965-66 was Rs. 32.07 lakhs. This networth has been reduced to Rs. 2,09 lakhs in the year 1967-68. The Undertaking has reported that as on 31st March, 1969, the bad debts were Rs. 0.68 lakhs and doubtful Rs. 4.37 lakhs making a total of Rs. 5.05 lakhs. Thus it is evident that the entire capital invested in this undertaking has been eaten up and is now giving a debit balance of Rs. 2.96 lakhs.

The Audit Report Commercial 1969, has pointed out various irregularities as a result of which the Company has lost heavily from year to year. There is also inefficient operation and the two put together have brought the Corporation to this helpless state.

It is also evident from the Audit Report and other Reports submitted by the undertaking to the Committee that there has been a

great laxity in the control and management of this company. The Ministry have failed in their duty to keep proper control over the affairs of this Company, since its very inception. The Undertaking has not been able to give any figures of the traffic in terms of tonnage carried by them in the different years. From the statistics given the percentage of idle vehicle days to total vehicle days were 30.09, 40.69 and 53.89 in 1965-66, 1966-67 and 1967-68 respectively. The operational cost have been also above the earnings (in 1967-68 the average expenditure per truck mile was Rs. 1.97 and the average earning was Rs. 1.57). The Undertaking has been asking that unless the Public Sector Undertakings give to it their traffic on a negotiated basis at cost plus something, the Company would not be able to make its two ends meet. It has been clearly stated that on tender basis it cannot beat the private operators to get the traffic. It amounts to that, unless Public Undertakings subsidise the operations this Undertaking cannot run on a commercially profitable basis. If the Government feel that such an organisation is necessary to ensure the viability of goods traffic in an emergency, the Government should go into this question carefully whether they consider that such a fleet of trucks are a necessity to be maintained as an insurance of any breakdown in an emergency of the goods traffic system in the Eastern Zone. If the Government consider that it is a necessity then they must carefully examine and determine what they must pay in order to take an insurance against such an emergency. Such a subsidy, in view of the Committee, should be paid directly by the Government on a vote of Parliament instead of encumbering the Public Sector Undertakings to pay a veiled subsidy for the survival of the Central Road Transport Corporation.

The Committee have come to this conclusion that there is no justification for continuing this organisation because the Ministry have failed to put this organisation on a commercially sound footing during the course of last six years and during the period the entire investment in the undertaking amounting to Rs. 34.01 lakhs as paid up capital and Rs. 1.24 lakhs in shape of reserve and surpluses has been practically consumed. In view of this, the Committee recommend for the winding up of this Coropration, as early as possible.

Comments of the Committee

Please see paras 27 to 29 of Chapter I of the Report.

NEW DELHI;
April 16, 1973.
Chaitra 26, 1895 (*S*).

SUBHADRA JOSHI,
Chairman,
Committee on Public Undertakings.

APPENDIX I

(*vide* reply to Recommendation at Sl. No. 3)

Recommendations made by the Central Road Transport Corporation Enquiry Committee in their interim Report and the action taken by the Company on them.

Recommendations	*Action taken by the Company*
1. Having regard to the policy objective underlying the establishment of the Corporation and the distinct possibility of getting steady traffic fom Assam Cements Ltd., A Govt. of Assam Undertaking, and the North-East Frontier Railway, Committee recommends that Central Road Transport Corporation should Consolidate or even augment its operations in North Bengal and Assam to advantage.	Assam Cement Ltd. are served by the Assam State Transport Corporation. The out-agency of the North-East Frontier Railway at Bongaigaon has been closed down from 1968.
2. *Delhi-Bombay route*—In view of the heavy losses and inabsence of any promise of better results, committee recommends that the services on this route should be discontinued with immediate effect and that the branch office set up at Delhi be pruned to the barrest minium. Branches such as Delhi which operate less than 50 trucks should be placed under the charge of a junior traffic officer.	Service on the Delhi—Bombay route was terminated in 1967-68. The Delhi branch was wound up on 1968.
3. *Calcutta-Bombay-route*—With the anticipated setting up of a full-fledged branch office at Bombay from June, 1967 Committee hopes that the operations on this route will be tightened up so as to avoid the present margin of losses and, therefore, recommends its continuance. The route connects two of the biggest markets in India and the Committee thinks that the Corporation can operate this route with advantage.	In view of the difficulties experienced in supervising the operations betewen Calcutta and Delhi and the need for deployment of an increasing number of vehicles in the eastern region, which the Company was meant to serve, this recommendation has not been implemented.
4. *Ahmedabad Branch*—Transportation of foodgrains in Gujarat region—on the basis of the good financial results of this branch and the essential nature of the job from the social angle the Committee recommends that the operations of this type should continue.	Losses were suffered in this Branch during 1967-68. Further Government decided to shift the operatious of the gifted vehicles to Bombay and Kandla. The Ahmedabad branch was, therefore, dissolved.
5. Vehicles staff ratio of the Corporation in the traffic and administration fields compares favourably with those ob-	The post of Deputy General Manager Delhi, was abolished with the closure of the branch in 1968.

*Not vetted by Audit.

tained in other road transport undertakings in the public sector. The staff in the maintenance side is utterly inadequate for the maintenance of the existing fleet. The organisation of the head office and the branch offices and their staff pattern seem to be on the correct lines but there is definitely a case for abolishig the post of Deputy General Manager at Delhi in the scale of Rs. 700-1250. Instead, a junior branch manager is considered sufficient to look after the present work and the expected volume of business in Delhi in the near future.	
6. Having regard to the concentration of the Corporation's activities in the Eastern Zone and the location of the head office at Calcutta, the registered office should be transferred from Delhi to Calcutta and the Secretariat of the Corporation should work under the direct control of the Managing Director which will lead to economy, efficiency and better-*cum*-prompt disposal of work.	This has been done.
7. A number of officers including senior executives were replaced for unsatisfactory work and corrupt practices and departmental enquiries are continuing against some other senior officers. Committee feels that widespread enquiries against senior officers may inhibit proper disposal of business and suggests immediate removal of the said officers followed by enquiry, wherever necessary.	This has been done.
8. It appears that 4 tyres of 1000-20 size are fitted on the rear of Leyland Comet vehicles instead of standard fitment of 900-20 tyres. The difference in carrying capacity of the two sizes being only 100 lbs., this gives no advantage but the vehicles price is increased by about Rs. 900/- each. The standard fitment should be used in future which will result in the saving of oves Rs. 1500/- per year per vehicles in service.	Implemented.
9. Central Road Transport Corporation should fit recording instruments like Tachographs on the vehicles with a view to keeping control on the drivers on long distance routes. Recorders having 6-day or 7 day cycle are available though they are not manufactured in India at present.	Six tachographs have been procured on a trial basis.
10. In order to ensure proper performance of engineering, maintenance as well as operating and commercial staff, there is need for modifying the forms and reports currently in force. A commercial register for each vehicles, in duplicate if necessary, proforma being drawn up in consultation with audit, should be prepared and put into force with the least possible delay. This register would	Instructions have been issued and Forms and Registers have been prescribed. They are not however, strictly followed/ maintained for various reasons.

not only cover the salient information contained in the existing reports but also act as a deterrent to mischievous persons.

11. A manual covering all departments and sections in Central Road Transport Corporation should be prepared with the help of a Officer-on-Special Duty who has earlier handled such work in state transport or Public Sector Undertakings.

Apart from the Accounts Manual, suitable instructions/orders have been issued for guiding the work in each Department from time to time.

APPENDIX II

(*Vide* reply to Recommendation at Serial No. 6)

Copy of letter No. 1|8|68|PAR(MOV), dated the 4th April, 1970, from the Assistant Regional Manager, M.M.T.C., Cuttack, to the Deputy General Manager, C.R.T.C., Cuttack.

SUBJECT: *Amendment No. II to the handling agency agreement dated 21st July, 1969.*

We forward herewith Amendment No. II of to our Agreement with you dated 21st July, 1969 for handling and transportation of iron ore at Nergundi, in quintuplicate duly signed by us, extending the validity period of the Agreement for a further period of one year *i.e.*, upto 31st *March*, 1971.

2. We would request you to kindly get them signed by the competent authority at your end, and return four copies of the same to us, retaining one copy for your information and record.

This may kindly be treated as urgent.

Thanking you.

APPENDIX III

(*Vide* reply to Recommendations at Slip No. 9)

Government Undertakings/Departments

(In lakhs of Rupees)

Sl. No.	Name of the Debtor	Amount outstanding as on 31-3-69	Amount adjusted/ received from 1-4-69 to 31-3-70	Balance	Amount out of 5 which is disputed partly or wholly and which is not paid even in part	Remarks
1	2	3	4	5	6	7
1.	D.C., Food & Supplies	0·01	—	0·01	0·01	
2.	G.E. Kalimpong No. 1	0·01	—	0·01	0·01	
3.	Rly. & others .	0·10	—	0·10	—	
4.	D.E.T.Siliguri .	0·01	—	0·01	—	
*5.	D.E.J. Project . .	0·29	—	0·29	0·29	
*6.	D.E.T.W.B.S.E.B.Jaldhaka	0·02	—	0·02	0·02	
7.	I.O.C., N. Jalpaiguri	0·11	—	0·11	0·11	
8.	M.M.T.C. .	1·68	1·68	—	—	
9.	O.S.C.T.C. .	0·02	0·02	—	—	
10.	C.T.S., New Delhi	0.06	—	0.06	—	
11.	Project Officer, C.P.C., AIR	0·01	—	0·01	—	
12.	D.M. Scheme . .	0·01	0·01	—	—	
13.	D. of A. & V.P. Dept.	0·01	—	0·01	—	
14.	A.S.E.B. . .	0·01	—	0.01	—	

*At the time of factual verification, Audit pointed out that as the supporting papers in respect of this portion of the Govt's reply are not available in their office, the facts and figures mentioned therein cannot be verified.

1	2	3	4	5	6	7
15.	Agr. Officer, Govt. of W.B.	0·16	—	0·16	0·16	
16.	C.I.W.T.C. .	0·18	—	0·18	—	Balace adjusted during 1970-71.
17.	Dy. A.D.M. Store	0·05	—	0.05	—	
18.	D. of Agr. NEFA	0·01	—	0·01	—	
19.	Divisional Engineer III .	0·01	—	0.01	—	—
20.	Ex. Eng. M. Bankura	0·08	—	0.08	0·08	—
21.	Ex. Govt. W.B. .	0·04	—	0·04	—	
22.	Ex. Eng. Elec. (S.P.R.)	0·02	0·02	—	—	
23.	Ex. Eng. (Agr. Mech.)	0·07	0·07	—	—	—
24.	Ex. Eng. (E & D) GHY	0·23	—	0·23	0·23	—
25.	Ex. Eng. Avm. Divn. .	0·10	—	0·10	—	
26.	Govt. M.S. .	0·02	0·02	—	—	
27.	I.O.C. .	0·20	—	0·20	0·95	
28.	I.O.C. .	0·27	—	0·27		
29.	I.O.C. . . .	1·54	—	1·54		
30.	J.D.A. Shillong . .	0·45	—	0·45	0·45	
31.	Potato Dev. Officer .	0·02	—	0·02	0·02	
32.	P. & F. C. Gauhati .	0·03	—	0·03	—	
33.	Regional Agri. College	0·07	—	0·07	0·07	
34.	R.S.N. Co. .	0·40	—	0·40	—	
35.	S.E. Rly. . .	0·01	0·01	—	—	
36.	Supdt. Eng. (Agr.) Paharpur	0·04	—	0·04	—	
37.	Supdt. of Agr. . .	0·02	—	0·02	—	
38.	A.C. Ltd. . . .	0·98	0·47	0·51	—	
39.	A.F. Shillong . .	0·02	—	0·02	—	
40.	A.F. Bojhat . .	0·07	0·04	0·03	—	
41.	C.E. Hydel Project .	0·02	—	0·02	—	
42.	D.D. (F) GHY. . .	1·38	—	1·38	—	
43.	D.D.S. GHY . .	0·03	—	0·03	—	
44.	D.C. Kamrup . .	0·03	—	0·02	—	

1	2	3	4	5	6	7
45.	A.S.E.B. Ulubari .	0·04	—	0·04	—	
46.	A.S.E.B.N.T.D.E.	0·72	—	0·72	—	
47.	A.S.E.B.G. Divn. .	0·77	0·01	0·76	—	
48.	A.S.E.B. T. DW .	0·54	0·03	0·51	—	
49.	A.S.E.B. E. Tezpur .	0·03	0·03	—	—	
50.	J. I. Nowgong .	0·03	—	0·03	—	
51.	Concrete Dam Divn. .	0·02	—	0·02		
52.	A.S.E.B.C. Store	0·24	—	0·24	—	
53.	Thermal Project	0·05	—	0·05	—	
54.	C. Naharkathia	0·03	—	0·03	—	
55.	M. Divn. . .	0·01	—	0·01	—	
56.	A.S.E.B.Y.D. Tinsukia	0·08	—	0·08	—	
				0·02	—	
57.	Ex-Engr. Trans. North	0·02	—			
58.	Ex-Engr. S·D·W. ·	0·11	—	0·11	—	
59.	A.S.E.B.G.D. II Naharkati	0·23	—	0·23	—	
60.	2. SUH Project .	0·01	0·01	—	—	
*61.	F.C.I. .	1·20	0·15	1·05	—	
62.	I·O.C. . .	1·68	0·25	1·43	—	
63.	I.O.C. R/D · .	0·11	—	0·11	—	
64.	N.B.C.C. .	0·29	—	0·29	—	
65.	M.O.A.S.E.B. .	0·39	—	0·39	—	
66.	N.F. Rly.	1·28	0·45	0·83	—	
67.	R.S.N. . .	0·28	—	0·28	—	
68.	R.E.A.S.E.B. . .	0·14	0·05	0·09	—	
69.	S.D.O. P.W.D. . .	0·03	—	0·03	—	
70.	N.E.C. A.S.E.B. .	0·66	—	0·66	—	
71.	S.D.O.B. Sub. Divn. .	0·03	—	0·03	—	
72.	Bank III Sub. Divn.	0·11	0·01	0·10	—	
73.	Assam State Transport	0·74	—	0·74	—	
74.	S.D.O. A.S.E..B. .	0·03	—	0·03	—	
75.	S. P. Kamrup . .	0·02	—	0·02	—	

*Arbitration has been proposed.

1	2	3	4	5	6	7
76.	355 W. Silchar .	0·02	—	0·02	—	
77.	Chief Regional Manager Namrup . .	0·02	—	0·02	—	
78.	Eastern Rly. Howrah .	0·24	0·22	0·02	—	
79.	G.R.W. . . .	0·02	0·02	0·00	—	
80.	H.E. Corpb. . .	0·07	0·07	—	—	
81.	J.D. Food, Kandla .	0·35	0·08	0·27	—	
82.	F.C. Govt. of Gujarat .	0·03	—	0·03	—	
**83.	C.O.S. . . .	1·56	0·11	1·45	1·45	
84.	Form Press . .	0·01	—	0·01	0·01	
85.	M.M.T.C. . .	0·10	—	0·10	—	
86.	C.P.C. . . .	0·14	0·14	—	—	
87.	RDF/FCI . . .	3·91	2·57	1·34	—	
		25·29	6·52	18·77	3·86	

**Already under arbitration.

*APPENDIX IV

(Vide reply to recommendation at Sl. No. 9)
(Private parties)

S. No.	Name of the Debtors	Amount outstanding as on 31-3-69	Amount Adjusted/ received from 1-4-69 to 30-9-70	Balance	Amount out of 5 which is disputed partly or wholly and which is not paid even in part	Remarks
1	2	3	4	5	6	7
1.	Air Assam . .	0·02	—	0·02	—	
2.	Ghosh Const. .	0·52	—	0·52	0·52	UA
3.	Modern Const. . .	0·20	—	0·20	—	
4.	Modern Rays . .	0·02	—	0·02	—	
5.	P. T. Lama . .	0·28	—	0·28	0·28	P C
6.	A.T.S.S.S. . .	0·02	—	0·02	—	
7.	Assam Oil . . .	0·01	—	0·01		
8.	A.I. (Assam) Ltd. .	0·03	—	0·03		
9.	Air Link .	0·18	—	0·18	0·18*	
10.	Dooars Transport .	0·03	—	0·03		
11.	Burmah Shell .	0·08	0·07	0·01		
12.	B.B. (I) Ltd. . .	0·01	—	0·01		
13.	Bata Shoe . .	0·05	—	0·05	0·05	
14.	Continental Transt. .	0·01	—	0·01		
15.	Devenport . .	0·28	—	0·28	0·28	PC
16.	E.B.R.S.S. . .	0·21	—	0·21		
17.	Esatren Rays. . .	0·01	—	0·01		
18.	Ganges Transport	0·07	—	0·07		
19.	Ganon Dunkerly .	0·13	0·05	0·08		
20.	Greeves Cotton . .	0·01	—	0·01		

*At the time of factual verification, Audit pointed out that as the supporting papers in respect of this portion of the Govt.'s reply are not available in their office,, the facts & figures mentioned therein cannot be verified'.

1	2	3	4	5	6	7
21.	Goyal Transport .	0·01	—	0·01		
22.	Good Year (India) .	0·02	—	0·02		
23.	G. Steel Export	0·04	—	0·04		
24.	G. Muliji . .	0·01	—	0·01		
25.	H.S.T. & Shipping .	0·01	—	0·01		
26.	H. Jute Mill . .	0·02	—	0·02		
27.	Indo Burmah .	0·01	—	0·01		
28.	Jessop & Co. . . .	0·02	—	0·02		
29.	Jayashree Trans.	0·03	—	0·03		
30.	J. Bhagonand .	0·03	0·02	0·01		
31.	Shanti Roadways .	0·01	—	0·01		
32.	Oil India Ltd.	0·02	0·01	0·01		
33.	J. Finlay .	0·02	—	0·02		
34.	K.C. Anand	0·01	—	0·01		
35.	Lipton (I) Ltd. . .	0·04	—	0·04		
36.	M. & Sons & Co. (I) Ltd.	0·02	—	0·02		
37.	M. Sint . . .	0·01	—	0·01		
38.	Mohan Brewari .	0·02	—	0·02		
39.	Gulam Mahbub .	0·02	0·02	—		
40.	P. I. Textile .	0·03	—	0·03		
41.	Shaw Wallace	1·68	—	1·68	1·68	P.C.
42.	S.T.P. (1935) Ltd. .	0·05	—	0·05		
43.	W.J. & Co. Ltd. .	0·04	—	0·04		
44.	A.W. Figgis .	0·21	—	0·21	0·21	P.C.
45.	A. Bros. . .	0·06	—	0·06		
46	AIR Link (P) Ltd	0·05	—	0·05		
47	A I. (A) . . .	0·41	—	0·41		
48.	A. Cane Dealers .	0·11	0·04	0·07		
49.	Assam Commercial .	10·02	—	0·002		

1	2	3	4	5	6	7
50.	Assam Textile	0·02	—	0·02		
51.	Gupta Transport	0·02	0·02	—		
52.	Bansal Trading	0·04	0·02	0·02	0·02	P.C.
53.	Bijuli Bari T.W.O.	0·05	—	0·05		
54.	B ilders Brothers	0·03	—	0·03		
55	Brahmaputra T W	0·10	—	0·10		
56	Bagrodia T E.	0·02	—	0·02		
57	D. Bhowmick	0·02	—	0·02		
58	Dimbeswar Bora	0·04	—	0·04		
59	Ethelwood	0·63	—	0·63	0·63	P.C.
60	Frontier Times	0·01	—	0·01	0·01	
61	Green View	0·03	—	0.03	—	P.C.
62	Guru Bachan Singh	0·02	—	0·02		
63	J. Thoms	0·20	—	0·20	0·20	P.C.
64	Jalan Nagar	0.64	—	0·64	0·64	P.C.
65.	Kamrup Contractor	0·02	—	0·02		
66.	Dingdoh	0·06	—	0·06		P.C.
67.	Kamini Engg.	0·01	0·01			
68.	P. Airways	0·06	0·05	0·01		
69.	Natun Assamia	0·02	—	0·02		
70.	Natimal En.	0·03	—	0·03		
71.	Sharma & Sharma	0·19	—	0·19		**
72.	Shankar Bricks	0·02	—	0·02		
73.	Trade & Transport	0·04	—	0·04		
74.	Shillong Booking	0·01	—	0·01		
75.	T. Transprot	0·01	—	0·01		
76.	U.P.C.C.	0·01	—	0·01		
77.	Sharma Trasport	0·09	—	0·09		
78.	H.G.E.C.	0·22	—	0·22	0·22	P.C.
79.	T. Lines India	0·16	—	0·16	0·16	P.C.
80.	Scoklating T.E.	0·10	0·01	0·09		***

1	2	3	4	5	6	7
81.	H.C. Co. . .	0·13	0·13	—		
82.	Others . .	0·16	—	0·16		
		8·41	0·45	7·96	5·08	

1. U.A. —Under arbitration
2. P.C. —Pending in Court
3. * —Referred to Lawyers
4. ** —Decree, Awarded in our favour is yet to be executed.
5. *** —Settlement reached outside Court; payment is being made in instalments.

APPENDIX V

(*Vide* reply to Recommendation at Sl. No. 10)

Sundry Debtors as on 31st March

(In thousand of Rupees)

Sl. No.	Name of the Company	1966	1967	1968	1969
1	2	3	4	5	6
1	Dunlop Ruller	8	..	..	..
2	F.Ali Ahmed . .		2		..
3	Associated Traders		48	..	..
4	Jain Transport .	..	2	..	..
5	Minister of Irrigation .	4	..	8	..
6	A.W. Figgis	34	21	21	21
7	Air Link . .	4	4	5	5
8	Assam Clearing & Forwarding Agency	3	3	..	..
9	A.I.A. .	46	40	41	41
10	Assam Textile Mills	3	2	2	2
11	Assam Cane Dealers . .	17	16	11	11
12	Assam Com Transport .	2	2	2	2
13	Anand Brothers	8	8	6	6
14	Bhuyan & Co .	3	..	..	..
15	Bansal Trading . .	..	3	3	4
16	Builders Brothers . . .	4	4	3	3
17	Bijlibari T.E.	5	5	5	5
18	Brahmaputra T.E. . . .	10	10	10	10
19	Gannon Dunkerlay . .	15	23	..	..
20	Green View Products . .	2	3	3	3
21	Gurubachan Singh . . .	2	2	2	2

1	2	3	4	5	6
22	Hanumanbox Surajmal .	2	2	2	2
23	Indira Transport .	..	3	..	..
24	J. Thomas .	93	22	22	20
25	Ethelwood T.E.	..	63	63	63
26	Jalannagar T.E	..	64	64	64
27	Kamrup Contractor	..	2	2	2
28	K.M. Dingdoh	6	6	6	6
29	Kamani Engineers	3	3	3	..
30	Sharma & Sharma	28	19	19	19
31	Sharma Transport	8	8	9	8
32	Socklatinga T.E.	11	10	10	10
33	Sharma and Siddhanta	15	16	..	..
34	Sankar Brick	2	2	2	2
35	Trade & Transport	5	5	5	
36	Dunlop Rubber		2		..
37	Tea Brokers (P) Ltd.	3			
38	Pannalal Rameshwar	29	..	..	
39	Pheros & Co.	2		..	
40	Dey's Medical	2		..	..
41	Gupta Transport	..	..	2	2
42	Bagrodia T.E.	..	—	..	2
43	R. Bhowmick	..	..	2	2
44	Dimbeswar Bora		..	..	3
45	Planters Airways	..		3	5
46	Natun Asamiya	..		2	2
47	Natmal Engg. & Trader	..	..	8	3
48	Steel Bros. & Co.	..		3	..
49	Mother Loreto	..	..	2	..
50	Sundarsan Timber	..	..	3	..
51	Syart R.O	..	..	3	3
52	Shalimar Paint	..	..	3	..
53	Shillong Hydro Electric	..	..	2	..

1	2	3	4	5	6
54	Electric Steel Casting	..	..	2	..
55	Hindustan General Elec. Corpn.	22	22	22	22
56	Truck Lines (India)	16	16	16	16
57	Assam Oil Co.	12	..	..	..
58	Associated Industries (Assam)	..	3	3	3
59	Assam Travel Shipping Service	..	2	2	2
60	Air Link (P) Ltd.	21	18	18	18
61	Air Conditioning Corpn.	..	3	3	..
62	Burmah Shell Ltd.	94	128	12	8
63	Bata Shoe	..	..	5	5
64	Davenport & Co.	43	28	28	28
65	Dooars Transport	..	..	3	3
66	E.B.R.S.S.	4	21	21	21
67	Good Year India	2	2	2	2
68	Gannon Dunkerlay	..	2	19	13
69	Ganges Transport Co.	3	5	5	7
70	G. Steel Export	4	4	4	4
71	Goel Roadways	..	2	..	..
72	Hanuman Jute Mill	—	2	2	2
73	Jessop & Co.	6	..	..	2
74	Jyashree Transport	2	3	3	3
75	Jhumanlal Bhagchand		..	3	3
76	James & Finlay & Co.		..	2	2
77	Lipton India	..	4	4	4
78	Macneill & Barry Ltd.	..		71	..
79	Mohan Brewaries	..		2	2
80	Marshall & Son. Co.	..	..	2	2
81	Pogorue India Textile	..	3	3	3
82	Shalimar Tar Products	3	3	5	5
83	Shaw Wallace & Co	..	21	157	168
84	Voltas	..	..	7	..

1	2	3	4	5	6
85	William Jacks . .	10	4	4	4
86	W.S. Guswell	..	..	3	..
87	Babulal Swaragi . . .	..	2	..	..
88	Indian Oxygen	11	..		..
89	Oil India . . .	2	2		2
90	Shillong Hydro Electric	2	2		
91	Ancillary Industries	3		..	
92	Assam Road Link	2			
93	Fly Freight .	2			
94	A. K. Banerjee .	3			
95	Eastern Transport (Assam) .	2		..	
96	Kilburu & Co.	5	..		
97	U.P.C.C.	2	..	..	..
98	Modern Construction .	20	20	20	20
99	Sands and Stones	3	..	..	..
100	P.T. Lama . . .	28	28	28	28
101	Ghosh Construction	41	52	52	52
102	Air Assam . .	2	2	2	2
103	Modern Roadways . .	2	2	2	2
104	Howrah Engg. Concern		6		
105	Bengal Carrying Corpn.	..	6		..
106	Sikkim Mining Corpn. .	2	..	..	
107	Gulam Mahbub .		2	2	2
108	Trade & Transport	..	5	4	4
109	Hindustan Corpn. . . .	..	..		13
110	Others	..			33
					841

APPENDIX VI

(*Vide* reply to Recommendation at Sl. No 10).

Position of C R T C's dues from private parties (Rs. 1,000/—*above in round figures*) *as on* 31-3-72 (*un-audited*)

S No.	Name of the party	Amount due	Remarks
1	2	3 (in thousand of Rs)	4
1	Sankar Brick Field	2	
2	Truckline (I) Ltd.	16	Suit pending
3	U.P.C.C.	1	Claim filed with the Receiver
4	W.J. & Co	4	
5	Shalimar Products	5	
6	Shaw Wallace & Co	168	Suit pending
7	P.I. Textiles.	3	
8	Marshall & Sons	2	
9	Lipton	4	
10	K.C. Anand.	1	
11	Kamrup Construction Supply	2	
12	James Finlay	2	
13	Jayashree Transport	3	
14	A.W. Figgis.	21	Do
15	Assam Travel Shipping Service	2	
16	I.O C. Ltd.	1	
17	Air Link(P) Ltd.	23	Papers sent to Solicitors for filing suit
18	A.C. Bata	1	
19	Bata Shoe	5	
20	Bansal Trading	2	Suit pending
21	Continental Transport Agency	1	

1	2	3	4
22.	Devenport & Co . . .	28	Case pending
23.	E.B.R.S.S.	15	
24.	Eastern Roadways Express .	1	
25.	Ganon Dunkerly . . .	4	
26.	Ganges Transport . . .	7	
27.	Greaves Cotton . . .	1	
28.	Goodyear India . . .	2	
29.	Goyal Transport . . .	1	
30.	G. Steel Export . . .	4	
31.	Ghanshyam Das Mulji . . .	1	
32.	Gurubachan Singh . . .	2	
33.	Hindustan General Elec. Corpn. .	22	Suit pending
34.	Hanuman Jute Mills . .	2	
35.	Indo-Burma Forest . . .	1	
36.	Jessop & Co. Ltd. . . .	2	
37.	Brooke Bond(I) Ltd. . . .	1	
38.	Builder Bros.	3	Suit pending.
39.	Ethel Wood T.E. . . .	63	Do.
40.	J. Thomas	20	Do.
41.	Jalannagar South . . .	64	Do.
42.	Trade & Transport . . .	5	Do.
43.	D. Bora	4	Do.
44.	Sharma & Sharma . . .	19	Do
45.	Brahmaputra T.E. . . .	10	Claim field with the Trustees.
46.	Green View Products . . .	3	Suit pending
47.	K.M. Dingdoh	6	Do.
48.	Sharma Transport . . .	9	Do.
49.	Anand Bros	5	
50.	Associated Industries . . .	41	Suit pending

1	2	3	4
51.	Assam Cane Dealers	7	
52.	Assam Textile Mill	2	
53.	Bijlibari T. E.	3	
54.	Bagrodia T. E.	2	
55.	Frontier Times	1	
56.	Natun Assamiya	2	
57.	National Engineers & Traders	3	
58.	Ghosh Construction	52	Under arbitration
59.	Modern Construc ion	20	
60.	Modern Roadways	2	
61.	P. T. Lama	28	Suit pending
62.	Central Transport of India	1	

APPENDIX VII

(*Vide* reply to Recommendation at Sl. No. 13)
Sundry debtors as on 31st March

(*In thousand of rupees*)

Sl.	Name of the Company	1966	1967	1968	1969
1	2	3	4	5	6
1.	Dunlop Rubber .	8	—	—	—
2.	F. Ali Ahmed . . .	—	2	—	—
3.	Associated Traders	—	48	—	—
4.	Jain Transport .	—	2	—	—
5.	Minister of Irrigation . .	4	—	8	—
6.	A.W. Figgis .	34	21	21	21
7.	Air Link	4	4	5	5
8.	Assam Clearing & forwarding Agency	3	3	—	—
9.	A.I.A. . .	46	40	41	41
10.	Assam Textile Mills .	3	2	2	2
11.	Assam Cane Dealer .	17	16	11	11
12.	Assam Com. Transport	2	2	2	2
13.	Ananda Brothers . . .	8	8	6	6
14.	Bhuyan & Co.	3	—	—	—
15.	Bansal Trading . .	—	3	3	4
16.	Builder Brother .	4	4	3	3
17.	Bijlibari T. L.	5	5	5	5
18.	Brahmputra T. E.. .	10	10	10	10
19.	Cannon Dunkerlay . .	15	23	—	—
20.	Green View Products . .	2	3	3	3
21.	Gurubachan Singh . .	2	2	2	2
22.	Hanumanbox Surajmal. . .	2	2	2	2
23.	Indira Transport	—	3	—	—

1	2	3	4	5	6
24.	J. Thomas	93	22	22	20
25.	Ethelwood T. E.	—	63	63	63
26.	Jalannagar T. E.	—	64	64	64
27.	Kamrup Contractor	—	2	2	2
28.	K. M. Dingodon	6	6	6	6
29.	Kamani Engineers	3	3	3	—
30.	Sharma & Sharma	28	19	19	19
31.	Sharma Transport	8	8	9	8
32.	Socklating T. E.	11	10	10	10
33.	Shama & Siddhanta	15	16	—	—
34.	Sankar Brick Fields	2	2	2	2
35.	Trade & Transport	5	5	5	—
36.	Dunlop Rubber	—	2	—	—
37.	Tea Brokers (P) Ltd.	3	—	—	—
38.	Pannalal Rameshwar	29	—	—	—
39.	Pheros & Co.	2	—	—	—
40.	Dey's Medical	2	—	—	—
41.	Gupta Transport	—	—	2	2
42.	Bagrodia T.E.	—	—	—	2
43.	R. Fhowmick	—	—	2	2
44.	Dimbeswar Bora	—	—	—	4
45.	Planters Airways	—	—	3	5
46.	Natun Asamiya	—	—	2	2
47.	Natimal Engg. & Trader	—	—	8	3
48.	Steel Bros & Co.	—	—	3	—
49.	Mother oreto	—	—	2	—
50.	Sudassan Timber	—	—	3	—
51.	Syart R. O.	—	—	3	3
52.	Shalimar Paint	—	—	8	—
53.	Shillong Hydro Electric	—	—	8	—

1	2	3	4	5	6
54.	Electric Steel Casting	—	—	2	—
55.	Hindustan General Elect. Corpn.	22	22	22	22
56.	Truck Lines (India)	16	16	16	16
57.	Assam Oil Co.	12	—	—	—
58.	Associated Industries (Assam)	—	3	3	3
59.	Assam Travel Shipping Service	—	2	2	2
60.	Air Link (P) Ltd.	21	18	18	18
61.	Air Conditioning Corpn.	—	3	3	—
62.	Burmah Shell Ltd.	94	128	12	8
63.	Bata Shoe	—	—	5	5
64.	Daven Port & Co.	43	28	28	28
65.	Dooars Transport	—	—	3	3
66.	E.B.R.S.S.	4	21	21	21
67.	Good Year India	2	2	2	2
68.	Gannon Dunkerlay	—	2	19	13
69.	Ganges Transport Co.	3	5	5	7
70.	G. Steel Export	4	4	4	4
71.	Goel Roadways	—	2	—	—
72.	Hanuman Jute Mill	—	2	2	2
73.	Jessop & Co.	6	—	—	2
74.	Jayashree Transport	2	3	3	3
75.	Jhumanlal Bhagchand	—	—	3	3
76.	James & Finalay & Co.	—	—	2	2
77.	Lipton India	—	4	4	4
78.	Macneill & Barry Ltd.	—	—	71	—
79.	Mohan Brewaries	—	—	2	2
80.	Marshall & Son. Co.	—	—	2	2
81.	Pogorus India Textile	—	3	3	3
82.	Shalimar Tar Products	3	3	5	5
83.	Shaw Wallce & Co.	—	21	157	168
84.	Voltas	—	—	7	—

1	2	3	4	5	6
85.	William Jacks	10	4	4	4
86.	W. S. Guswell	—	—	1	—
87.	Babulal Swaragi	—	2	—	—
88.	Indian Oxygen	11	—	—	—
89.	Oil India	2	2	—	2
90.	Shillong Hydro Electric	2	2	—	—
91.	Ancillary Industries	3	—	—	—
92.	Assam Road Link	2	—	—	—
93.	Fly Frieght	2	—	—	—
94.	A. K. Banerjee	3	—	—	—
95.	Eastern Transport (Assam)	2	—	—	—
96.	Kilburn & Co.	5	—	—	—
97.	U.P.C.C.	2	—	—	—
98.	Modern Construction	20	20	20	20
99.	Sands and Stones	3	—	—	—
100.	P.T. Lama	28	28	28	28
101.	Ghosh Construction	41	52	52	52
102.	Air Assam	2	2	2	2
103.	Modern Roadways	2	2	2	2
104.	Howrah Engg. Concern	—	6	—	—
105.	Bengal Carrying Corpn.	—	6	—	—
106.	Sikkim Mining Corpn.	2	—	—	—
107.	Gulam Mahbub	—	2	2	2
108.	Trade & Transport	—	5	4	4
109.	Hindustan Corpn.	—	—	—	13
110.	Others	—	—	—	33
					841

APPENDIX VIII

(*Vide* Reply to Recommendation at Serial No. 15)

Extracts from the Minutes of the Meetings of the Board of Directors of the Central Road Transport Corporation Limited

1. *3rd Meeting held on* 30-7-1964.

Item No. 39

Resolved that a Master Plan be prepared, after proper surveys and studies, for operating the Corporation's services on the various feeder routes of the main Delhi-Calcutta route and also for extension of the main route: the Plan should also take account of (a) connections or out-agencies which can be set up by the Corporation to cater to such traffic as can be taken over from the Railway or inland water transport companies for onward movement by road and also such traffic as may be handed over to the railways or inland water transport companies for onward movement by rail or water, as the case may be, (b) report of the Railway Officer who recently surveyed the traffic available to be handed over to this Corporation on the N.F. Railway (Copy of the report to be furnished by Shri Chand Narayan) and (c) the feasibility of extending the services in Assam by setting up regular booking Offices and by Advertisements/canvassing regarding the transport services provided by the Corporation.

2. *4th Meeting held on* 30-9-1964.

Item No. 44

Resolved that the action taken on the decisions of the Board's meeting held on 30th July, 1964 be noted.

The Board further resolved that the monthly Operational and Revenue Statements should also indicate, in suitable slabs, how many vehicles remained off the road and for how many days for the purpose of repairs, etc. The operation ratio of "vehicle miles per vehicle day" should in future be shown as two separate ratio *i.e.*, (i) vehicle miles per vehicle day on road and (ii) vehicle miles per vehicle day in stock (*i.e.* for total number of vehicle day whether on road or idle).

Item No. 45

Resolved that the contents of the Operational and Revenue statement for the month of July, 1964 and also the note dated 20th September, 1964 from the Chief Accounts Officer and Financial Adviser, circulating the monthly Operational and Revenue statement for the month of August, 1964, be noted.

The Board desired that (i) the Managing Director should initiate steps to improve the working and earnings of the Corporation, which had deteriorated in August, 1964 due to breaches in Assam and certain vehicles remaining under repairs and (ii) the 10 trucks which are to be given by the Government of India to the Corporation in lieu of those loaned by the Corporation to the World Bank Project, Bihar should be obtained before the end of the current calendar year, preferably in monthly instalments.

Item No. 54

Resolved that the new Managing Director, after he had taken over charge, and the Chief Accounts Officer and Financial Adviser would go into the question of reducing the outstandings and also examine the feasibility of offering a rebate for expeditious payment of the Corporation's bills.

The Board also desired that executive heads of the fims (e.g. the Assam State Electricity Board) against whom the outstandings were very heavy, should be contacted personally and told that the Corporation's services to them would have to be discontinued if payment was not made within a specified period.

Item No. 39

The Board desired that preparation of the Master Plan, as required in resolution No. 39 passed at the meeting held on 30th July, 1964, should be expedited. On a suggestion of Shri Chand Narain, it was agreed by the Board that the Master Plan should be prepared after taking into consideration the number of regular permits fixed by the Inter-State Transport Commission for the various long distance routes. It was also decided that the Board's decision be taken before actually starting specific long distance services such as Calcutta-Bombay and Calcutta-Madras.

3. *7th Meeting held on* 15-3-1965.

Item No. 91

The statement of traffic booked by the Commercial Officer and the Commission Agents during January and February, 1965 was noted. Shri A. S. Bhatnagar suggested that it was desirable to discontinue the Corporation's present practice of taking goods from the booking agents and instead to have dealings with the consigners and consignees direct. The Chairman observed that taking goods from the booking agents was at this stage unavoidable to prevent the vehicles being partially idle and will be discontinued as soon as we have sufficient direct booking with parties to the complete exclution of booking agents.

Item No. 102

The Board noted these statements which were prepared to facilitate analysis of the financial results shown in the quarterly financial report considered under item No. 92. They brought out, among other things, the different elements which make up the cost per mile and also indicated the journey times actually taken on the different scheduled routes as compared with the normal trip times prescribed. The operational statements for the months of December, 1964 and January, 1965 (under item No. 97) were also considered in this light.

The Board viewed with concern that the expenditure during the quarter exceeded income by 1 paise per truck mile and went through the reasons given in the memorandum circulated by the Managing Director. The Managing Director explained that he has already undertaken a thorough scrutiny of the different items of expenditure involved and he hoped that the position would improve with the measures he has taken for further tightening up the control over the operations and also by keeping a more vigilant check on the progress of expenditure.

4. *12th Meeting held on* 14-10-1965.

Item No. 145

The Board observed that there had been inordinate delay in submission of the monthly statements of June and subsequent months and that the statements now received revealed an unsatisfactory

state of affairs. The Board noticed that the number of vehicles under repairs and maintenance was very high and that the standards of performance (e.g. average number of vehicles on road per day, mileage per vehicle day and earning per vehicle day) including clearance of outstandings are still far from the targets. It was also observed that there was delay even in sending out the bills. Delay in clearance of consignments from depot railway stations and also resulted in damage to goods or payments of demurrages and complaints from parties.

The Board regretted that the Corporation had not yet evolved a proper system of accounting which would give a correct picture of the operations, and directed that steps be taken immediately to start a commercial system of accounting with effect from 1st October, 1965 which would give such a picture without any time lag. The Board further directed that the books of accounts be closed for the half year ending 30th September, 1965 as early as possible on the basis of the existing accounting system.

Item No. 147

Shri R. S. Krishna pointed out that he had learnt that the contract for local transportation of goods of the Controller of Printing and Stationery, Calcutta, from the railway station to his depot, was not being executed properly; a number of consignments had been lying with the railway authorities, thereby incurring demurrage of about Rs. 15,000 and that some consignments were kept for long periods in the courtyard of the Calcutta Branch and damaged by rains.

Item No. 87

The Chairman informed the Board of the Ministry of Transport's letter No. 2-T(43)|65, dated 7th October, 1965 in which the necessity of recasting the plan|programme of this Corporation for the current financial year and the next financial year, keeping the defence needs in view, had been mentioned.

5. 13*th Meeting held on* 10-12-1965.

Item No. 158

The Chairman pointed out that although the figures for October, 1965 showed considerable improvement in the operations, the mileage per vehicle day was still much below the target and that outstandings of freight were still alarming. The Managing Director

stated that he had launched a drive for clearance of the outstanding and that in November and the first week of December arrears of about Rs. 6 lakhs had been collected. The Chairman pointed out that besides clearing the outstandings it was also necessary to prevent fresh accumulation of arrears of freight.

Item No. 161

Managing Director pressed for a special audit of the accounts for the half year ending 30th September, 1965 on the following grounds:—

(a) it will reveal the correct figures for net profit and operation expenditure and thus help the Board to assess the efficiency of the operations;

(b) the results of the audit will facilitate maintenance of proper accounts in the 2nd half year in respect of which commercial system of accounting has already been introduced; and

(c) it will indicate whether each and every movement of the Corporation's trucks has been brought into account and freight due to the Corporation has been billed for.

Item No. 112

Resolved that the Managing Director could divert the trucks from the Bengaigaon-Gauhati route to other remunerative routes, if sufficient loads at an economical rate of freight were not available on this route, and that the Ministry of Transport should be informed of the circumstances necessitating diversion of the trucks. The Managing Director was also authorised to engage private trucks for meeting the requirement of the Gauhati out-agency if and when he considered necessary, provided that the Corporation retained a reasonable margin of the freight for itself.

6. *15th Meeting held on* 20-4-1966

Item No. 53

The position stated in the memorandum was noted. The Board, however, desired that the target of completing the workshop by the first week of May, 1966, be adhered to.

7. 17*th Meeting held on* 22-8-1966

Item Nos. 53 and 60

The position stated in the memorandum was noted.

The Chairman, however, pointed out that the target date by which the workshop was to be completed had not been adhered to. The Managing Director stated that the workshop would be ready for use with effect from 1st September, 1966.

8. 19*th Meeting held on* 17-11-1966

Item No. 233

Before other items of the agenda were taken up, Shri Krishnan made a few general observations as regards the state of affairs of the Corporation. He remarked that while in the earlier years when the vehicles were new, the Corporation had been doing tolerably well, it seemed to be running into difficulties as the fleet grew older. Referring to the big loss sustained during the half year ending 30th September, 1966 he suggested the need for stricter control and vigilance.

Item No. 225

The Managing Director explained that the deal had been entered into by Shri O. P. Sharma, *Ex.* FA & CAO without his approval or knowledge.

The Board noted with great dissatisfaction and regret the facts of the case reported in the memorandum and desired that the Managing Director should urgently take further necessary action to finalise the case and submit a report at the next meeting of the Board.

Item No. 190

The Board viewed seriously the facts that a sum of Rs. 1,03,620.47 had been allowed to fall into arrears for more than three years and asked the Managing Director to circulate a special report indicating the names and addresses of the parties, the amounts due from each of them, the period to which the arrears relate and also the steps taken to recover the amounts.

The Board also viewed seriously the fact that substantial arrears of freight which were from Government, Semi-Government and

private parties had not even been acknowledged and asked the Managing Director to circulate a special report to the Directors indicating the steps taken to obtain the debtors' acknowledgements and progress made in that respect.

9. *20th Meeting held on* 28-1-1967

Item No. 238

The Board noted with regret that some vehicles had been cannibalised and standing idle for a long period, even at Calcutta where there was no dearth of workshop facilities and that according to the depreciated value indicated in the memorandum some of these vehicles were not even two years old and one of them was only six months old.

Shri R. S. Krishnan observed that it was not usual to charge the expenditure incurred on repairs (whatever may be the nature of repairs and condition of vehicles) to Capital Account. Such expenditure, however, could be staggered over some years, in special circumstances.

A decision on the proposals contained in the memorandum was postponed, pending submission of a detailed report indicating,—

(i) the registration numbers of the vehicles which had been cannibalised and the registration numbers of the vehicles in which the spare parts removed from the former vehicles, were fitted;

(ii) why cannibalisation of the vehicles was allowed; and

(iii) why it was not possible to arrange early repairs of vehicles even at Calcutta where they had been standing idle for several months (and in one case for more than 6 months).

10. *22nd Meeting held on* 29-5-1967

Item No. 210

The position reported in the memorandum was noted. It was also decided that the Ministry of Transport and Shipping may be requested to use their good offices with the Ministry of Works

Housing and supply for getting the Corporation's bills settled early.

11. *26th Meeting held on 18th & 19th December, 1967.*

Item No. 192—

The position reported in the memorandum was noted. The Board also noted that the draft C.R.T.C. T.A. Rules were under examination in the Bureau of Public Enterprises in the light of the TA. rules of other public sector undertakings. The Board felt that this Corporation should adopt the T.A. rules of a 'D' category public sector undertaking.

Item No. 194 *and* 199—

On enquiry from Shri Sudarsan, the FA & CAO stated that the Corporation had incurred a loss of about Rs. 7 lakhs during the current financial year up to the end of August, and that the rate of loss was more than that during the last year. The Chairman and Managing Director said that steps had been taken to reverse this trend since August and the Nergundi-Paradeep operations were quite encouraging. Since the operations of other branches were not so encouraging due to the disadvantages of long distance services, their vehicles were being transferred to the Nergundi-Paradeep operations where more vehicles were needed.

Resolved that remedial steps to reduce the loss should be explored immediately and the Board kept informed of the measures taken and the result thereof from time to time.

Item No. 190—

(iv) In particular, having regard to the heavy outstanding against parties in Assam mostly Assam Government Departments and the Undertakings, the Ministry of Transport and Shipping should be requested to impress upon the Government of Assam at the highest level that if the dues are not settled before 31st March, 1968, the Corporation may be compelled, in view of its financial difficulties, to review its working in Assam with a view to curtailing its financial liability in that area.

12. *27th Meeting held on 12th to 14th February,* 1968

Item No. 16—

Resolved that:—

(i) In all cases of Financial proposals referred to the Board the memorandum of the Chairman and Managing Director

should indicate separately the views of the FA & CAO if at variance with those of the Chairman and Managing Director and in such cases the note of FA & CAO should be reproduced verbatim.

(ii) At every meeting of the Board the FA & CAO should submit a memorandum showing the cases, if any, where he had differed with the Chairman and Managing Director in regard to the decision taken.

(iii) At the next meeting of the Board the FA & CAO will submit a special review regarding financial transactions and operational and other aspects on the Corporation's working during the last one year.

APPENDIX IX

(*Vide* reply to Recommendation at Sl. No. 15)

Quarterly financial report of the Central Road Transport Corporation Ltd. for the quarter ending 30th June, 1965

I. *NARRATIVE*

During the quarter 2 more trucks were added to the fleet of the Corporation taking the total number of trucks to 93. This was due to the delay in supplying the chassis by M/s Ashok Leyland & also the delay in construction of the bodies. Order for 50 chassis was issued on M/s Ashok Leyland in December 1964 for the supply to be completed by 31st March, 1965. Only 20 chassis were received till the end of the quarter ending 30th June, 1965 and the bodies were being built on these chassis during the quarter. Bodies on all the chassis received up to the end of June 1965 have since been completed and the trucks put on the road.

The gross mileage operated during the quarter was 5.40 lakhs against 5.55 lakhs during the previous quarter. This was due to the fact that the quarter ending June, 1965 was a comparatively slack period for transport in the Eastern region of the country.

II. *PROJECT ESTIMATE*

No project estimate was made for the Corporation. The Board of Directors decided to add 50 trucks and purchase order was accordingly issued in December 1964. These trucks are in the process of being supplied and no payments therefore were made during the quarter. A provision for Rs. 25 lakhs for the cost of chassis and bodies has been made for the year and the sum has since been taken as share capital from the Government upto the close of the above quarter.

III. *BUDGETARY REVIEW*

The estimate of earnings for the year 1965-66 is Rs. 45 lakhs. The earnings to the end of June 1965 were Rs. 11.14 lakhs which more or less conforms to the proportionate budget taking into consideration that the quarter ending June 1965 is a comparatively lean

period for the traffic in the eastern region. An estimate of Rs. 40 lakhs was made for the expenditure for the year 1965-66. Against this the expenditure to the end of the June 1965 was Rs. 9.69 lakhs. The capital contribution by the Government remained at Rs. 500 and the balance of advance from the Government i.e. Rs. 37.23 lakhs at the end of the previous year was treated as loan. No further loan or capital was contributed during the quarter.

The outstanding dues of the Corporation against the outside bodies at the end of this quarter were as under:—

Government or Semi-Govt. Parties	Rs. 15·43 lakhs
Private Parties	Rs. 2·84 lakhs
	Rs. 18·27 lakhs

The corresponding figures at the end of the quarter ending March, 1965 were as under:—

Govt. or Semi Govt. Parties	Rs. 12·33 lakhs
Private Parties	Rs. 2·62 lakhs

The liabilities of the Corporation at the end of June, 1965 were Rs. 1.09 lakhs as against Rs. 3.21 lakhs at the end of March, 1965.

The cash and bank balances at the end of June 1965 were Rs. 2.40 lakhs as against Rs. 4.46 lakhs at the end of March, 1965.

IV. *INVENTORIES*

There are no finished goods or work in progress goods. Only stores kept in this Corporation are for repair & replacement of the trucks and fuel & lubricants. The total cost of stores on hand at the end of March 1965 was Rs. 23,000. The position remained more or less the same. It may be mentioned in this connection that as a principle stores are not stocked excepting fast moving parts and fuel. Specialised parts of Leyland vehicles are obtained as and when required from the local agents of M/s Ashok Leyland.

V. *COST OF PRODUCTION*

The cost per truck mile during the quarter ending June, 1965 was Rs. 1.79 against the average earning of Rs. 2.06 per truck mile. The corresponding figures for the previous quarter was 1.82 and 1.64 respectively. In view of the varying factors and increase in the cost of fuel, tyres & other spare parts, the standard cost estimate cannot be prepared and applied to successive quarters.

VI. *MAJOR PURCHASES*

There were no major purchases during the quarter except for 160 tarpaulins which were purchased for the entire season. The purchase of other items, *i.e.* fuel, tyres, tubes and flaps, spare parts and other stores was normal.

VII. *IMPORTANT DECISION OF THE BOARD OF DIRECTORS AND GOVERNMENT*

Only one meeting of the Board of Directors was held during the quarter, on 13th May, 1965. The important decisions taken by the Board of Directors were as under:—

(1) The Board desired special attention to be paid to the time taken by the drivers in completing journeys on scheduled routes & to the consumption of diesel and tyres.

(2) The Board resolved that further purchase of chassis during the year 1965-66 may not be taken up until the Board was satisfied regarding full utilisation of the 60 chassis already ordered.

NOTE: The Board have since reviewed this resolution in their meeting held on 14th October, 1965 and decided to order for another 60 chassis in addition to those already received from M/s Ashok Leyland.

(3) The Board sanctioned for construction of a workshop and depot in the plot of land taken on hire from the Commissioners for the Port of Calcutta within an over-all limit of Rs. 1 lakh.

NOTE: The work of construction of the depot has since been started.

(4) The Board decided that the operations of this Corporation be extended to Calcutta-Bombay and Delhi-Bombay routes.

NOTE: These operations were started in accordance with the above directive but consequent upon the emergency in eastern region of the country due to stoppage of river service between Calcutta and Assam through Pakistan, our trucks plying on the Calcutta-Bombay and Calcutta-Delhi routes had to be withdrawn and employed entirely in the eastern region in accordance with the directive of the Government.

(5) The Board resolved that depreciation fund be created at 25 per cent of the written down value of the vehicles and in the case of machinery and equipment at 15 per cent on the straight-line method.

(6) The Board sanctioned a consolidated conveyance allowance of Rs. 250|- per mensem for the Managing Director.

VIII. *OUTSIDE CRITICISM*

Nil.

Sd./-

A. K. MAZUMDAR,
Managing Director.

Quarterly Financial Report of the Central Road Transport Corporations Ltd. For the Quarter ending 30th June, 1965
Operating and other results

(Rupees in lakhs)

	Previous year	Budget for the current year	ACTUALS	
			For the quarter	Upto the end of the quarter
I. *INCOME*				
(a) Sales realisation (earnings)	39·48	45	11·14	11·14
(b) Other Receipts				
II. *EXPENSES*			*In term of Rupees*	
(a) *Raw materials*				
(i) Cost of fuel & lubricants			72,621·64	72,621·64
(ii) Tyres, tubes & flaps			12,827·15	12,827·15
			85,448·79	85,448·79
(b) *Stores & Spares*				
(i) Spare parts			9,946·48	9,946·48
(ii) Batteries			5,354·17	5,354·17
(iii) Othes stores			3,185·88	3,185·88
			18,486·53	18,486·53

	Previous year	Budget for the current year	ACTUALS	
			For the quarter	Upto the end of the quarter
(c) *Salaries & Wages*				
(i) Pay & allowances operating staff			88,105·26	88,105·26
(ii) Pay & Allow. of Maintenence and repairs staff			5,357·72	5,357·72
(iii) Pay & allw. of Admn. staff			79,904·27	79,904·27
(iv) Foreign service contibution			914·50	914·50
			174,281·75	174,281·75
(d) *Workmen & Staff Welfare Expenses*			—	—
(e) & (f) *Utilities (Water, Power, Fuel etc.) & Rent, Rate & taxes*				
(i) M.V. Taxes, Permit fees etc.			123,161·94	123,161·94
(ii) Goods Taxes			475·75	475·75
(iii) Rents, Taxes, elec. charges etc. for hired Blds.			32,832·20	32,832·20
			156,469·89	156,469·89
(g) *Repairs to Buildings*				
(i) Repairs & Maintenance of Office Bldg. Workshop, Garrage etc.			2,872·18	2,872·18
(h) *Repairs to Machinery*				
(i) Servicing & repairs by outside agencies			15,866·62	15,866·62
(i) *Contriubtion to Provident & other staff fund*			—	—
(j) *Insurance*				
(i) Insurance of Vehcls. Bldgs. etc.			42·50	42·50
(k) *Misc. Expenses*				
(i) Ferry charges			17,203·60	17,203·60
(ii) Loading & Unloading charges			27,197·29	27,197·29
(iii) Frt. charges paid to Pvt. trucks			43,081·99	43,081·99
(iv) Transit Insce. charges			1,766·50	1,766·50
(v) Octroi & Terminal charges			3,145·13	3,145·13
(vi) Other Operating Expenses			8,018·75	8,018·75
(vii) Compensation paid for loss & damage			100·00	100·00
(viii) Furniture & other office equipment			4,844·01	4,844·01

	Previous year	Budget for the current year	ACTUALS	
			For the quarter	Upto the end of the quarter
(ix) Telephone & other trunk call charges			5,980·71	5,980·71
(x) Stationery & Printing			3,448·48	3·448·48
(xi) Advertisements			2,428·29	2,428·29
(xii) Postage & Telegrams			931·00	931·00
(xiii) Audit fees			—	—
(xiv) Workmen's Compensation			—	—
(xv) Legal Expenses			719·32	719·32
(xvi) Medical Expenses			16·40	16·40
(xvii) Other Contingent charges			9,368·54	9 368·54
(xviii) Misc. Liabilities			95,478·21	95,478·21
			223,729·21	223,729·21
(I) *Interest*		TOTAL	41,705·00	41,705·00
III. *Depreciation*		TOTAL	718,902·47 250,230·00	718,902·47 250,230·00
Total including Depreciation			969,132·47	969,132·47
IV. *Revenue* [*Surplus* (+) *Deficit* (—)]			+ 145,596,42	+ 145,469·42
V. *Ways & Means* (*at the end of the qrts.*				
(a) Paid up Capital			—	500·00
(b) Reserve and Surplus			—	145,569·42
(c) Capital Loans			—	3,723,436·00
(d) Cash and Credit			—	240,519·42
(e) Depreciation Provision	8,75,000/—	14.21,000/—		
VI. *Gross Block*				3,604,549·49
VII. *Deferred Revenue Expenditure*				
VIII. *Working Capital*				3,723,436·00
IX. *Cash & Bank Balances*				240,519·42
X. *Sundry Debtors*				1,827,450·72
XI. *Inventory*				
(a) Raw materials				
(b) Spare parts				
(c) Finished goods				
(d) Works in Progress				
(e) Stores etc.				
TOTAL	..	..	..	..
XII. *Employees*				
Industrial			189	189
Non-Industrial			94	94

Quarterly financial report of the Central Road Transport Corporation Ltd., for the quarter ending 30th June, 1965.

Cost of Production Per Unit

Operation Per Mile

Item
Installed Capacity
(Units)

	Standard cost	For The Quarter		
		I Month	II Month	III Month
		April '65	May '65	June '65
1	2	3	4	5
Actual Production (Units) (Total mileage operated) .		2,08,714	1,74,563	1,56,917
		Rs. P.	Rs. P.	Rs. P.
1. *Raw Materials*				
(*i*) Cost of fuel and Lubricants		31,471·82	32,588·66	8,561·16
(*ii*) Tyres, tubes & flaps .		2,004·22	5,114·51	5,708·42
TOTAL .		33,476·04	37,703·17	14,269·58
2. *Wages*				
(*i*) Pay and allowances of operating staff . .		30,239·52	29,333·41	28,532·33
(*ii*) Pay & allow. of Maintenance & repairs staff .		1,718·15	1,758·42	1,881·15
TOTAL .		31,957·67	31,091·83	30,413·48
3. *Repairs & Maintenance*				
(*i*) Spare parts		2,228·27	7,371.85	346·36
(*ii*) Batteries .		3,212·05	2,142·12	..
(*iii*) Other Stores . .		1,454·50	492·35	1,239·03
(*iv*) Servicing and repairs by outside Agencies .		5,564·95	6,283·36	4,018·31
TOTAL . . .		12,459·77	16,289·68	5,603·70

1	2	3	4	5
4.	*Factory Overheads*			
	(*i*) Other optg. Expenses .	5,875·12	1,124·66	1,018·97
	(*ii*) M.V. Taxes Permit fees etc.	93,274·05	14,252·14	15,635·75
	(*iii*) Goods Taxes . .	303·75	88·00	84·00
	(*iv*) Repairs & Maint. of office Bldgs., Garrage, Workshop etc. . .	901·24	1,583·00	387·94
	(*v*) Pents, Taxes, Elec. Charges etc. for hired Bldgs.	15,337·66	8,885·15	8,610·39
	(*vi*) Insce. of vehicles, Bldgs. etc.	..	..	42·50
	TOTAL .	1,15,691·82	25,931·95	25,779·55
5.	*Depreciation* TOTAL	81,900·00	84,630·00	83,700·00
6.	*Administrative Overheads*			
	(*i*) Pay & allow. of Admn. staff	19451·68	20,405·17	40,047·42
	(*ii*) Foreign Service Contribution . . .	457·25	457·25	
	(*iii*) Furniture & other office equipment . .	2,021·63	1,193·40	1,628·98
	TOTAL .	21,930·56	22,055·82	41,676·40
7.	*Selling and Distribution Expenses* TOTAL	..	..	..
8.	*Interest* TOTAL	13,650·00	14,105·00	13,950·00
9.	*Other items*			
	(*i*) Ferry charges . .	4,019·49	7,783·74	5,400·37
	(*ii*) Loading & Unloadg. charges . . .	8,995·58	9,283·63	8,918·08
	(*iii*) Fregt. charges paid to pvt. trucks . .	9,181·99	850·00	33,050·00
	(*iv*) Transit Insce. Charges		176·00	1,590·50
	(*v*) Octroi & Terminal Charges . . .	1,537·41	640·62	967·10

1	2	3	4	5
(*vi*)	Compensation paid for loss & damages .	100·00		..
(*vii*)	Telephone & Trunk Call Charges . .	557·50	99·50	5,323·71
(*viii*)	Stationery & Printing	455·77	2,223·55	769·16
(*ix*)	Advertisements	1,963·29	210·00	255·00
(*x*)	Postage & Telegrams .	417·92	246·89	267·18
(*xi*)	Audit fees . .	..	..	
(*xii*)	Workmen's Compensation . . .	..	..	..
(*xiii*)	Legal Expenses .	86·50	105·87	526·95
(*xiv*)	Medical Expenses .	..		16·40
(*xv*)	Other Contingent charges . . .	2,134·12	3,302·72	3,931·70
(*xvi*)	Misc. Liabilities. .	4,828·44	33,965·42	56,684·35
	TOTAL . . .	34,278·01	58,887·94	1,17,700·50
GRAND TOTAL . . .		345,343·87	2,90,695·39	3,33,393·21
10.	Total Cost (average cost per mile) . . .	1·66	1·67	2·12
11.	Selling Price (Average earning per mile) .	1·75	2·20	2·33
12.	Gross Margin (per mile)	(+)·09	(+)·53	(+)·21

Schedule of Raw Materials

Main items of Raw Material / Unit	Standard Consumption per Unit of output	Actual Consumption for the last month of the Qrtr. per unit of output
	(Units)	
(a) Cost of fuel & lubrication .	·35P	·15 (on avg. basis for 3 months) ·05 (As per actual payment made during the month).
(b) Tyres, tubes & flaps . .	·22P	·03 (On avg. basis for 3 months) ·04 (As per actual payment during the month).
		Note : Bills for the purchase made during the period for these periods are under dispute and still to be paid for.

Quarterly Financial Report of the Central Road Transport Corporation Ltd. For the Quarter Ending 30th June '65

CAPITAL EXPENDITURE AND COMMITTEES

Name of the Project—Central Road Transport Corporation Limited
Date of Commencement—6th March, 1964

Target date of Completion.
Revised date of completion, if any.
Total Estimated Cost (Date)
First revised Estimate, if any (Date)
Second revised Estimate, if any (Date)
Total Sales value at full Capacity.
(as per project report).
} for items 3 to 8

It is a Road Transport Organisation, created as a result of emergency arising out of the Chinese invasion and is gradually expanding its activities to various inter-State routes.

Main components of the Project Estimate	Project estimate	Expenditure till the end of the last year	Expenditure in the current yr. till the end of the quarter	All commitments made till the end of the quarter	Further expenditure to complete the project.	Revised estimate cost (5+6)	Verification between 7 & 2	Remarks
Vehicles	Remarks against item 3 to 8 above equally apply here	1·81	·18	10 lakhs*	As under column 2	—	—	*Cost of 20 chassis & bodies
Land		—	—	—		—	—	
Furniture & Fixture		·32	·05	—		—	—	
Building		—	—	—				
Workshop Equipment		—	—	—				
	TOTAL	2.13	·23	10 lakhs				

APPENDIX X

(*vide* Reply to Recommendation at Sl. No. 15)

Copy of D.O. No. D. 6528-TFS|68, dated 21st November, 1968 from Shri S. Sundaresan, Dy. Secretary to the Government of India, Ministry of Finance, Deptt. of Expenditure, New Delhi, to Shri K. Srinivasan, Managing Director.

The quarterly report of the Central Road Transport Corporation for the quarters ending 30th June, 1967, 30th September, 1967, 31st December, 1967 and 31st March, 1968 have been examined by the Bureau of Public Enterprises. The Bureau have remarked that these reviews are not in accordance with the forms prescribed in this Ministry's O.M. No. 7(1)-PC|63 dated the 29th August, 1963 in that the narative portion of the reports has not been furnished and the data furnished in Annexures I and II do not indicate budget figures and standard costs which are absolutely essential in such reviews.

2. The quarterly Financial Reviews indicate that the losses during 1967-68 have gone upto 19.75 lakhs from Rs. 14.06 lakhs in 1966-67. The milage done during the months of June, 1967 to October, 1967 also recorded a steep decline compared to the mileage done during the corresponding months of the previous year. This indicates the existence of unutilised capacities. which the Bureau have suggested needs to be gone into with a view to consider how the available transport capacity can be effectively utilised.

3. The method by which the transport rates have been fixed may kindly be clarified. As the losses of the Corporation are quite heavy the Bureau have asked that the possibility of revising the existing rates should be examined, so that such losses are avoided in future.

APPENDIX XI

(*vide* reply to Recommendation at Sl. No. 15)

Copy of letter No. H|Ac|26|6181 dated 7th May, 1969 addressed to Shri S. Sundaresan, Dy. Secretary to the Government of India, Ministry of Finance, Department of Expenditure, New Delhi, from Shri K. Srinivasan, Managing Director, CRTC Limited, Calcutta.

Kindly refer to your d.o. letter No. D, 6528-TFS|68 dated 21st November, 1968.

The loss for the year 1967-68 as now finally assessed is Rs. 16.69 lakhs after making provisions for depreciation and interest to the extent of Rs. 9.84 lakhs and Rs. 1.22 lakhs respectively. In the Western Zone where the operation is carried out with gifted trucks, our earning in the form of commission depends not on the mileage done but exclusively on the tonnage carried. The pattern of our operations in the Eastern Zone, is, however, entirely different. Here we work with our own trucks and that also on behalf of a large number of parties carrying all types of goods unlike in the Eastern Zone, where our only customer is the Food Department and the cargo being nothing else than foodgrains and fertilisers. Moreover, business in the Eastern Zone, except on a few selected routes, has to be secured only through tenders submitted according to the customers' specifications. Necessarily, therefore, in quoting rates we have to go sometimes on truck-mile basis, sometimes on trip-time basis and not unoften on the basis of other factors also especially in sort distance operations.

2. In view of these diverse elements and also the fact that freight rates on certain routes vary sharply from time to time it has not so far been possible to evolve a simple system of costing which may supply us with sufficiently reliable data necessary for budget figures and standard cost for the CRTC as a whole. Nevertheless, determination of such data is necessary, though it presupposes a regular costing Cell which at present we do not have. However, we are gradually organising such a cell and hope to be able to furnish the necessary data required by Bureau of Public Enterprises from the beginning of the next accounting year along with narrative portion of the reports.

3. One of the major causes which has led the Corporation to run into losses is the idleness of vehicles which again is due to inadequate workshop|maintenance facilities. In order to improve the on road vehicle position steps are being taken to augment the maintenance staff by recruiting suitable and qualified technical personnel. Steps have also been taken to set up maintenance workshop at Nergundi where about 50 per cent of our fleet strength is at present deployed for carriage of iron ore on behalf of MMTC. It is expected that the position in regard to the on-road vehicles will considerably improve as soon as we strengthen our maintenance side.

4. As mentioned earlier our trucks in the Eastern Zone are employed in carriage of bulky materials on contract basis and also in carrying goods in specific routes like Calcutta-Siliguri, Calcutta-Gauhati etc. While fixing rates we take into consideration the following factors:—

(1) Standing charges for each truck;

(2) Running cost including cost of repairs, cost of replacement of tyres, tubes etc. and cost of fuel;

(3) Round-trip time.

So far as trucks employed in carrying bulky materials are concerned, we have to complete with other Transport Operators for obtaining contracts by submitting tenders. Even in these cases, we fix our rates keeping in view the expected number after that each truck will perform each day and the quantity of goods the truck will carry in each trip.

5. As for the rucks which are employed on specific routes the rates are unusually fixed on the basis of round-trip time and the expenditure involved. The rates on these routes vary considerably from season to season depending upon the availability of cargo. It is, therefore, not possible when full trucks are offered to have fixed rates applicable throughout the year. In the case of smalls, however, there are fixed rates calculated on the basis of cost of operating the trucks on a particular route.

6. In view of the position explained above, any upward|revision of freight rates will not be itself help in augmenting the earnings. On the other hand, it is likely to result in a number of trucks being idle for want of cargo. What is necessary is to reduce the number of off-road vehicles by providing adequate maintenance|repair facilities; and this is a matter which is now receiving our serious consideration. If we can put a larger number of trucks on-road, our standing charges will automatically be reduced and we shall be able to offer trucks at more competitive rates.

APPENDIX XII

(*Vide* reply to Recommendation at Sl. No. 15)

Copy of D.O. letter No. H|AC|58|5403 dated 12|16 January, 1968
Addressed to:—Shri A. K. Sharma,
The Deputy Secretary, to the Govt. of India,
Ministry of Transport & Shipping,
(Transport Wing),
Transport Bhavan,
New Delhi.

From.—C.H.H. Bowden,
Chairman & Managing
Director,
Central Road Transport
Corpn. Limited.

Re. Implementing Changes for improving functioning of Public Sector Enterprises.

Kindly refer to your secret D.O. letter No. 39-T(56)/67 dated the 15th December, 1967 on the subject indicated above.

2. With a view to improving the working of Central Road Transport Corporation Limited, the following changes in the mode of working during the year 1968 have been/are being introduced:—

(i) On important Inter-State routes like Calcutta Delhi, Calcuta-Bombay and Delhi-Bombay the vehicles were being plied on temporary permits which necessitated the incurring of huge extra expenditure on account of permit fees, taxes etc. Besides, traffic for these routes were being procured mostly through commission agents and transport agencies with the result that the Corporation did not derive the benefit of the prevailing market rates. Further it was very difficult to ensure adequate supervision over the long distance road haulage due to lack of checking organisations en-route. In view of the above and also due to the fact that the working of the above routes resulted in heavy loss to the Corporation, it has

been decided to suspend operations on Calcutta-Delhi, Calcutta-Bombay and Delhi-Bombay routes.

(ii) With a view to catering the needs of the Eastern Region, Steps are being taken to concentrate on Calcutta-North Bengal-Assam routes securing long-terms contracts on profitable traffic, particularly tea during tea season.

(iii) As far as possible, road-*cum*-rail booking of tea and other traffic will be arranged. Long distance road haulage creates difficulties for the Corporation in ensuring adequate supervision etc. Simultaneously, it constitutes unhealthy competition with the railways, if undertaken on parallel routes. In view of this, a scheme is being formulated whereby long distance movement of tea and other traffic will be contracted for by the Corporation/ Railways and the actual haulage done partly by road and partly by rail. For example, instead of picking up tea from the gardens in Assam and North Bengal by lorries and transporting it by road to the destination in Calcutta, Trucks of the Corporation would carry it from the gardens to the rail-heads (Bongaigaon and New Jalpaiguri) and book the consignments by rail from Bangaigaon/New Jalpaiguri to Sealdah (Calcutta) from which station Corporation's vehicles will collect the consignments and deliver them to the destinations. In the same way, the traffic contracted by the Railways will be moved partly by road and partly by rail-road portion of the movement being allotted to this corporation.

(iv) The possibility of organising river-*cum*-road movement between Calcutta and Assam is being examined by the study Group for the Assam River Services constituted by the Government under the Chairmanship of Shri B. Bhagawati, M.P.

(v) Concentrated operations on short distance route moving specific types of articles on long term contract basis are being undertaken, *viz.* movement of iron ore on MMTC's account from Nergundi to Paradeep port and from Kalaikunda to Haldia port and movement of food grains and fertilisers on the Government of India, Food Department's account, from Gujarat ports to Ahmedabad, and from Bombay port to different godowns in the city (the latter work is being done with the gifted trucks placed

at the disposal of this Corporation by the Government of India (Food Department).

(vi) A large number of vehicles have been remaining idle from the very beginning, mainly for want of adequate workshop facilities and some of them have been badly damaged beyond repairs. Attempts are being made, as far as possible, to salvage most of these vehicles by undertaking major repairs to them and to write off the balance by public auction. A scheme for the establishment of a Central Workshop in Calcutta and strengthening the Depot Workshops at Gauhati and Siliguri is being drawn up. The appointment of a Technical Officer to the post arrangements is also being finalised soon.

(vii) In order to augment the fleet for the concentrated operations at Nergundi and Kalikundas, new vehicles are proposed to be purchased with capital to be made available by the Government as loan investment in share capital. In the budget for 1968-69, a provision of Rs. 50 lakhs is likely to be made with which about 80 new vehicles will be purchased.

APPENDIX XIII

(*Vide* reply to Recommendation at Sl. No. 15)

GOVERNMENT OF INDIA
MINISTRY OF TRANSPORT AND AVIATION
(Deptt. of Transport & Shipping)
(Transport Wing)
New Delhi.

No. 2-T(2)|68 *Dated 12th January, 68.*

To

The Chairman and Managing Director,

Central Road, Transport Corporation Ltd.
Calcutta-1.

SUB: *Future Scheme of operations of the Central Road Transport Corporation, Limited—Utilisation of fleet.*

Sir,

I am directed to say that during the discussions on the Annual Plan 1968-69 of this Ministry in the Planning Commission held in December, 1967, the Commission desired to have a note on the future scheme of operations of the Corporation and how the fleet was proposed to be utilised. I am, therefore, to request that a comprehensive note giving detailed information about the programmes of operation of the Corporation and the proposed utilisation of fleet on various jobs/contracts during the years 1968-69 and 1969-70 may be supplied to this Ministry urgently.

Yours faithfully,

Sd/-
(B. M. MAZUMDAR)
Under Secretary to the Government of India.

APPENDIX XIV

(*Vide* reply to Recommendation at Sl. No. 15)

List of Report/Statement etc. submitted by the C.R.T.C. to the Ministry of Shipping and Transport from time to time.

1. Quarterly financial report (copy relating to the quarter ending 30th June, 1965 (Appendix IX)

2. Performance Budget for the year 1967-68 (copy at Annexure I).

ANNEXURE I

Proforma for Performance Budgeting
for
Central Road Transport Corporation Limited

Figures in lakhs

As on 31-3-67		1967-68	1968-69	1969-70	Short-Fall	Reasons (Critical Components)	Remarks
1		2	3	4	5	6	7
	A. FINANCIAL POSITION						
99·26	1. Capital employed	128·32	181·07	231·23			
	2. *Borrowings* :						
53·31	(a) From Govt.	65·21	87·11	106·36			
	(b) From Indian Banks	—	—	—			
45·95	3. Net worth	64·20	95·85	126·85			
	4. *Fleet Employed owned*						
	(a) At the beginning of year	168	197	267			
	(b) Target for the year :						
	Additions	29	70	70			
	Scrappings	—	—	—			
168	(c) At the end of the year	197	267	337			
	(d) Actual performance (performance to be reviewed once a quarter)	—	—	—			

As on 31-3-67		1967-68	1968-69	1969-70	Short fall	Reasons (Critical Components)	Remarks
1		2	3	4	5	6	7
	5. *Target for cargo to be carried* (Tonnage)				(a) Includes 15·00, 18·00, 18·00 M/T during 1967-68, 1968-69, 1969-70 respectively for the movement for foodgrains at Bombay for a very short distance within the Minicipal Limits of Bombay. Though the tonnage is disproportionately high in comparison to the total traffic to be handled by the Corpn. the ton-miles will be comparatively low.		
	(a) Eastern Region	·60 M/T	1·00 M/T	1·50 M/t			
	(b) Outside Eastern Region	·56 „	·56	·50			
	6. *Performance* Goods carried (tonne)						
·50	(a) Eastern Region						
·80	(b) Out side Eastern Region						
*80·92	7. *Earnings*	107·00	127·00	165·00			
*90·92	8. Expenses (Excluding other than interest & tax)	101·45	11·47	152·37			
—	9. *Profit etc.* (a) Gross Profit	5·55	8·53	12·63			
(—)10·00	(b) Net Profit	2·16	3·86	5·80			
18·7%(loss)	(c) Percentages net with equity capital and capital employed	1·68%	2·13%	2·50%			
10·1% „							
	10. *Foreign Exchange*						
	(a) Foreign exchange earned or saved	Nil	Nil	Nil			
	(b) Foreign exchange expenditure	·50	1·00	1·50			
	(c) Net foreign exchange earned or saved	—	—	—			
	11. *Critical requirements needed for achieving targets.*						
	(a) Foreign exchange	·50	1·00	1·50			
	(b) Rupee resources	30·00	53·00	53·00			
	(c) Materials	—	—	—			
	(d) personnel	—	—	—			

*(including that of Gift vehicles)

Sd/-

(H.P. BHATTACHARJEE)
Acting Managing Director.

Performa for Performance Budgeting
for
Central Road Transport Corporation, Limited

Figures in Lakhs

As on 31-3-67		1967-68	1968-69	1969-70	Short fall	Reasons (Critical Components	Remarks
1		2	3	4	5	6	7
99·26	A. FINANCIAL POSITION						
	1. Capital employed	129·41	182·96	233·21			
53·31	2. Borrowings :						
	(a) From Government	65·21	87·11	106·36			
	(b) From Indian Banks	—	—	—			
45·95	3. Net worth	64·20	95·88	126·85			
	4. *Fleet Employed Owned*						
	(a) At the beginning of the year	168	197	267			
	(b) Target for the year :						
	Additions	29	70	70			
	Scrappings	—	—	—			
168	(c) At the end of the yr.	197	267	337			
	(d) Actual performance : (Performance to be reviewed once a quarter)						(a) includes 15·00, 18·00, 18·00 M/T during 1967-68, 1968-69, 1969-70 respectively for the movement of food-grains at Bombay for a very short distance within the Municipal limits of Bombay.
	5. *Target for cargo to be Carried (Tonnage)*						
	(a) Eastern Region	·60 M/T	1·00 M/t	1·50 M/t			
	(b) Outside Eastern Region	15·80 „	18·70 „	(a)18·50 „			(a) Though the tonnage is disproportionately high in comparison to the total traffic to be handled by the Corporation the ton-miles will be comparatively low.
	6. *Performance* Goods carried (tone)						
·50	(a) Eastern Region						
·80	(b) Outside Eastern Region						
*80·92	7. *Earnings*	120·25	145·15	167·40			
*90·92	8. *Expenses*	117·00	140·00	150·00			

1		2	3	4	5	6	7
	9. *Profit etc.*						
	(a) Gross Profit	—	—	—			
	(b) Net Profit	3·25	5·15	7·40			
18·7% (loss)	(c) Percentage net with equity capital and capital	4·7%	5·40%	6·00%			
10·1% Loss	(d) Employed	2.5%	2.8%	3.1%			
	10. *Foreign Exchange*						
Nil	(a) Foreign Exchange earned or saved	Nil	Nil	Nil			
	(b) Foreign exchange expenditure	·50	1·00	1·50			
	(c) Net foreign exchange earned or saved	—	—	—			
	11. *Critical requirements needed for achieving targets*						
	(a) Foreign exchange	·50	1·00	1·50			
	(b) Rupee resources	30·00	58·00	53·00			
	(c) Materials	—	—	—			
	(d) Personnel	—	—	—			

*(Including that of Gift vehicles)

Sd/- H.P. BHATTACHARJEE,
Acting : Managing Director.

APPENDIX XV

(*Vide* reply to Recommendation at Sl. No. 15)

Copy of D.O. letter No. 20-T(7)/67 Dated 8th July, 1967

Addressed to Shri H. P. Bhattacharya,

Managing Director,
Central Road Transport Corpn. Ltd.,
18, Rabindra Sarani,
Calcutta-1

From: Shri R. K. Sharma,
Deputy Secretary,
Ministry of Transport & Aviation (Deptt. of Transport & Shipping)
(Transport Wing),
NEW DELHI.

Kindly refer to the correspondence resting with Shri Mazumdar's D.O. No. H|AC|58, dated the 27th May, 1967, to Shri B. P. Srivastava, regarding performance budget in respect of the Central Road Transport Corporation Limited.

2. The targets for the cargo to be carried by the Corporation, as given therein, do not appear to be realistic. While the targets for the different sectors (other than Bombay) seem to be low, those for the local movement of foodgrains in Bombay are on the high side. We shall be glad to know the detailed basis on which these targets have been arrived at. It is also requested that you may kindly check up the figures and send us revised figures, if necessary. The performance of the Corporation's fleet of vehicles in terms of tonnes carried per year and how this performance will measure, from year to year, may also kindly be intimated.

3. The figures sent by the Corporation show that, for operations in the different sectors, other than Bombay, the net additions to the fleet will be 70 vehicles during each of the years 1968-69 and 1969-70, while the increase in the quantity of cargo to be carried would be 30,000 tonnes each year. This means that each additional vehicles will carry on an average, only about 400 tonnes of goods per year. This performance appears to be on the low side. Moreover, it may not be quite correct to estimate the increase in 1969-70, over 1968-69 at 30,000 tonnes, *i.e.* the same has been shown as the increase in 1968-69 over 1967-68, because the entire fleet acquired in

1968-69 will be in operation for the whole year 1969-70, in addition to the vehicles which may be acquired in stages during 1969-70. We shall be grateful if you will kindly clarify the position in this respect.

4. Further, in the statement forwarded with Shri Mazumdar's d.o. No. H/AC|58|472, dated the 25th April, 1967, the figures for gross profit have not been mentioned under item 9(a). We will appreciate it if the estimates of gross profit are also worked out and intimated.

5. It may also kindly be intimated whether the figures shown against 'Net Profit' in the statement represent the net surpluses that are expected to be available after making provision for depreciation on vehicles, interest on Government loans, payment of motor vehicle tax, goods tax and income-tax and bonus to the employees of the corporation or the expenditure on these items has to be deducted from those figures. In case it is the latter, the net surpluses anticipated may please be worked out and communicated to us.

6. The principal object of a performance budget, in the case of and organisation like the Central Road Transport Corporation, is to see that the performance of the vehicles in terms of goods carried and mileage covered increase from year to year, in other words, that the Corporation shows progressively more profit with each year. The cost of operations will also have to be taken into account. The measures, if any, which the Corporation may be contemplating in this behalf may also please be interested.

APPENDIX XVI

(*Vide* reply to recommendations at Sl. No. 14)

Statements I

Outstanding to advances on 31-3-71 (Employees no longer in service)

Sl. No.	Name	Amount	Remarks
1	Shri S.K. Ghosal	80·00	
2	,, Janardan Pathi	15·00	
3	,, Bhagavan Dean	109·20	Died
4	,, R.P. Panday	217·15	
5	,, Guljar Singh	81·92	
6	,, Bansidhar Das	100·00	Died
7	,, Dharmdeo Rai	152·00	
8	,, P. Ratha	100·00	Died
9	,, R.C. Mohanty	1,050·00	
10	,, Shrinivas Das	200·00	
11	,, A. Biswanath Pradhan	246·00	
12	,, Y. Mohapatra	914·20	
13	,, Girin Barman	887·51	
14	,, J.C. Dhar	121·20	
15	,, Kumud Sarma	125·75	
16	,, Nagen Goswami	1,394·24	
17	,, Nityananda Bashiya	21·48	
18	,, Pratul Sarma	157·20	
19	,, P.A. Panikar	5,109·82	
20	,, P.P. Lyngdoh	67·92	
21	,, P.V. Panikar	80·00	
22	,, R.C. Barua	535·95	
23	,, R. Dhar	38·39	
24	,, Sibaprasad Phookan	56·08	
25	,, Samir Baran Ghosh	200·86	
26	,, Bhagwan Barua	95.90	

S. No.	Name	Amount	Remarks
27	Shri Mujibur Rahman	777·47	
28	,, Monohar Das	265·56	
29	,, Prem Kumar Guran	233·94	
30	,, Sambu Raibhar	807·40	
31	,, S.B. Nath	10·00	
32	,, T.L. Singh	30·00	
33	,, N. Duggal	510·00	
34	,, Dharam Singh	1,188·00	
35	,, Amrik Singh	52·50	
36	,, N.B. Lama	30·00	
37	,, R.K. Bose	250·00	
38	,, Rabi Sen	10·00	
39	,, K.K. Sarkar	15·40	
40	,, Jagannath Saha	10·00	
41	,, Ramayan Prasad	3·52	
42	,, S.N. Gorkha	89·00	
43	,, Pren Mandal	47·12	
44	,, Bikaram Bharai	41·40	
45	,, Ramlal Rout	9·75	
46	,, R.K. Pradhan	76·00	
47	,, Ram Swarup Rai	701·50	
48	,, S.G. Manjrekar	30·00	
49	,, A.C. Paul	679·50	
50	,, Babulal Sharma	119·65	
51	,, Budhuram Singh	100·00	
52	,, Dewan Singh	52·00	
53	,, Damo Singh	16·00	
54	,, D.C. Mukherjee	185·00	
55	,, Darsan Singh	275·00	
56	,, Francis	23·50	
57	,, Gajan Singh	600·00	

S. No.	Name	Amount	Remarks
58	Shri Gulat Singh	100·00	
59	„ Hari Singh	400·00	
60	„ Hardeo Singh	150·00	
61	„ Indra Nath Bosa	150·00	
62	„ John Singh	175·00	
63	„ J. N. Singh	820·25	
64	„ Jang Bapadur Singh	59·00	Dead
65	„ J Mongal Singh	20·00	
66	„ Jagat Nasayan Jha	40·00	
67	„ Jamshed Ali	10·00	
68	„ J.C. Singh	225·00	
69	„ Jarnel Singh	150·00	
70	„ Kulu Singh Thatal	250·00	
71	„ Kinkar Kr. Sarkar	350·00	
72	„ Karuna Bahadur Gurung	23·00	
73	„ K. P. Gupta	20·00	
74	„ Kashinath Berleu	10·00	
75	„ Kusil Nayak	25·00	
76	„ Mohan Lohar	250·00	
77	„ Menuel Orang	350·00	Dead
78	„ Mani Kr. Tamang	225·00	
79	„ Basude Rawat	150·00	
80	„ Chandra Sekhar	280·00	
81	„ C.B. Pandey	200·00	
82	„ D.B. Rai	510·00	
83	„ Mokar Tewari	25·00	
84	„ Mazibur Rahman	200·00	
85	„ Manasaram Spasma	250·00	
86	„ N. C. Rai Karmakar	20·00	
87	„ Narendra Manna	15·00	
88	„ Nagina Singh	30·00	

S. No.	Name	Amount	Remarks
89	Shri Pios Kallu	370·00	
90	„ P. C. Dey	897·67	
91	„ Prem Kumar Gurang	75·00	
92	„ Paul Singh	275·00	
93	„ Ramsaran Dubey	9·34	
94	„ K.P. Ray	280·00	
95	„ Ram Chandra Singh	300·00	
96	„ Ramjir Randey	100·00	
97	„ Ramasis Singh	50·00	
98	„ Ram Chandra Singh	150·00	
99	„ Rabi Banerjee	825·12	
100	„ Radheyshyam Jadav	205·00	
101	„ Sukhumindar Singh	150·00	
102	„ Tribhuban Singh	100·00	
103	„ Thakur Singh	100·00	
104	„ Tarjan Kumar	65·00	
105	„ Udhoprasad Gupta	95·00	
106	„ Upen Rai	110·00	
107	„ U. C. Ray	100·00	
108	„ Dalip Kr. Seikia	60·00	
109	„ P. C. Dey	225·00	
110	„ M.C. Das	70·00	
111	„ Sumit K. Bose	569·30	
112	„ Raghavan	134·25	
113	„ Provash Ch. Das	47·40	
114	„ S. Shome	709·90	
115	„ L. S. Dalpat	410·25	
116	„ M. Chatterjee	50·00	
117	„ C. R. Chakraborty	150·00	
118	„ A. B. Chowdhury	1,009·48	
119	„ Abani Mukherjee	315·00	

S. No.	Name	Amount	Remarks
120	Shri D.K. Das Gupta	300·27	
121	,, Tapas Kr. Ray	273·39	
122	,, Sahabuddin Ahmed	525·91	
123	,, J. P. Barua	3,657·45	
124	,, S. Chakraborty	50·00	
125	,, Dulal Mukerji	3,363·89	
126	, Tarjan Kumar	211·94	
127	,, Parimal Jamatia	17·35	
128	,, D. B. Rai	4,095·15	
129	,, R.K. Pradhan	358·39	
130	,, Amin Kharia	100·00	
131	,, R. Dubay	20·00	
132	,, B. D. Mishra	392·07	
133	,, Joginder Singh III	639·24	
134	,, Ram Chandra	942·62	
135	,, A. H. Baruah	102·00	
136	,, Nachator Singh	190·00	
137	,, A.C. Mazumder	50·00	
138	,, Ajit Kr. Bose	100·00	
139	,, Amarjit Dass	135·00	
140	,, Baliram Singh	205·16	
141	,, Bepin Guha	75·00	
142	,, K. C. Dass	285·60	
143	,, C. L. Kher	591·16	
144	,, Dharam Singh	896·25	
145	,, D. C. Bagchi	928·66	
146	,, Driju Kundu	20·00	
147	,, Damu Singh	200·00	
148	,, Harnik Singh	348·94	
149	,, Hardeo Singh	549·67	
150	,, Jortilal Sarma	1,007·60	
151	,, Joginder Singh I	207·87	

S. No.	Name	Amount	Remarks
152	Shri Kedar Singh	37·50	
153	,, Kripal Singh	144·34	
154	,, Kartar Singh	450·00	
155	,, Mato Dewan Rai	758·00	
156	,, Mohan Lal Orang	250·00	
157	,, N. Saikia	1,570·74	
158	,, Osman Ali	713·79	
159	,, Ratan Mali	25·00	
160	,, Ram Swarup Rai	495·00	Died
161	,, R.A. Jadu	200·00	
162	,, S.R. Raha	20·00	
163	,, Vidyaram	450·95	
164	,, Anil Kr. Gupta	278·80	
165	,, Amrik Singh	1,344·00	
166	,, Atul Ch. Paul	475·00	
167	,, Anil Kr. Biswas	830·00	
168	,, M. Nandalal Singh	479·20	
169	,, Prem Mandal	55·00	
170	,, Rabi Banerjee	2,653·06	

APPENDIX XVI

(*Vide* reply to Recommendations at Sl. No. 14)

Statement II

Outstanding advances as on 31-3-1971 (*Employees in services*)

S. No.	Name	Amount	Remarks
1	2	3	4
		Rs.	
1	Shri B.N. Balajiwale	125·00	
2	„ D. K. Choudhury	77·00	
3	„ N. Bhattacharjee	182·28	
4	„ T. K. Lahiri	70·00	
5	„ C. P. Yadavi	80·00	
6	„ R. K. Nayak	50·00	
7	„ K. S. Zachuria	50·00	
8	„ R. K. Choudhury	50·00	
9	„ P. K. Pattanaik	40·00	
10	„ S. K. Mazumdar	1,747·83	
11	„ S. L. Das	290·00	
12	„ K. K Dutta	348·02	
13	„ G. S. Murthy	797·72	
14	„ H. Mohapatra	200·00	Advocate
15	„ M. A. Sarif	120·00	
16	„ S. N. Bhowmic	255·00	
17	„ R. C. Pattanaik	500·00	Advocate
18	„ A. C. Jena	68·00	
19	„ M. R. B. Choudhury	70·00	
20	„ S. N. Dutta	30·00	
21	„ B. Srivas Rao	200·00	
22	„ M. K. Mukherjee	50·00	
23	„ Gopal Ch. Rai	280·00	

1	2	3	4
24	Shri Ratan Kr. Gupta	55·00	
25	,, B. K. Pal	55·00	
26	,, Dussaswan Swain	35·00	
27	,, Sunil Kr. Saha	150·00	
28	,, Pitambar Nayak	55·00	
29	,, Austo Manna	60·00	
30	,, G. C. Mukherjee	2·00	
31	,, Lalchand Kurmi	45·00	
32	,, Daulat Ram	75·00	
33	,, K. K. Kar	80·00	
34	,, Bodal Ch. Dass	60·00	
35	,, H. C. Sikdar	45·00	
36	,, B. P. Rajan	45·00	
37	,, Pitamber Boral	45·00	
38	,, Pitrus Tirkey	35·00	
39	,, Mabakishore Sahoo	35·00	
40	,, M. Abraham	35·00	
41	,, Kartik Ch. Seal	35·00	
42	,, S. Roy	50·00	
43	,, B. B. Pattanaik	50·00	
44	,, B. D. Raout	40·00	
45	,, B. K. Patra	40·00	
46	,, U. K. Sahoo	35·00	
47	,, Abdul Jalil	30·00	
48	,, Ganesh Sahoo	29·80	
49	,, Ghabinath Singh	50·00	
50	,, Manik Rao	100·00	
51	,, Narendra Singh	100·00	
52	,, Pannalal Shaw	125·00	
53	,, Pal Singh	100·00	
54	,, Daroga Singh	100·00	
55	,, H. Sahani	100·00	

1		2	3	4
56	Shri	Phullow Baljit	100·00	
57	,,	Ram Ch. Bhagat	450·00	
58	,,	Sohan Singh	100·00	
59	,,	Bhagabat Behera	93·00	
60	,,	K. B. Pradhan	419·90	
61	,,	Satyan Singh	641·00	
62	,,	B.L. Thakur	591·00	
63	,,	B.K. Sahoo	75·00	
64	,,	K.P. Saha	80·00	
65	,,	Joginder Singh II	200·00	
66	,,	Joginder Singh I	190·00	
67	,,	Md. Sahni	150·00	
68	,,	Akal Bahadur Rai	152·00	
69	,,	Shri Atma Ram	100·00	
70	,,	B. Mohanty	100·00	
71	,,	Biswanath Singh I	100·00	
72	,,	B. Parija	152·00	
73	,,	Bharat Behra	100·00	
74	,,	Dudhnath Prasad	100·00	
75	,,	D. Acharrya	100·00	
76	,,	Gajadhar Singh	100·00	
77	,,	G.B. Roul	100·00	
78	,,	Hiralal Yadav	100·00	
79	,,	Hargon Singh	100·00	
80	,,	Jotish Kr. Sinha	100·00	
81	,,	Joginder Rai	100·00	
82	,,	Jamuna Rai	100·00	
83	,,	K.P. Das	100·00	
84	,,	K. C. Routary	146·00	
85	,,	K.K. Nanda	152·00	
86	,,	L. Kissan	100·00	
87	,,	Lajja Ram	100·00	

1	2	3	4
88	Shri L. Mohanty	100·00	
89	,, Muktar Tiwari	100·00	
90	,, Md. Salim	100·00	
91	,, Motilal Yadav	100·00	
92	,, N. K. Bose	100·00	
93	,, Jeet Singh	100·00	
94	,, Joseph Ekka	100·00	
95	,, Kishanlal	100·00	
96	,, Nandalal Rout	100·00	
97	,, Nanda Singh	152·00	
98	,, Narayan Badarjee	152·00	
99	,, Nowrang Singh	100·00	
100	,, Pius Tappo	100·00	
101	,, P. B. Gurng	100·00	
102	,, P. K. Singh	100·00	
103	,, R. S. Singh	100·00	
104	,, Roshan Lal	100·00	
105	,, Ramji Gupta	100·00	
106	,, Rogdur Singh	100·00	
107	,, S. K. Kamiruddin	100·00	
108	,, S. B. Singh	200·00	
109	,, Sevajit Singh	100·00	
110	,, Sardul Singh	100·00	
111	,, Sankar Nayak	100·00	
112	,, P.K. Ghatri	45·00	
113	,, Ram Ch. Das	1·00	
114	,, Mulkit Singh	133·40	
115	,, Santosh Kr. Bose	48·70	
116	,, Surandra Kumar	277·45	
117	,, Ganesh Bahadur	154·00	
118	,, N. C. Borah	45·00	
119	,, Rafal Orang	45·00	

1	2	3	4
120	Shri Biraus Kuzur	45·00	
121	,, Mohanlal Kanji	80·00	
122	,, K. B. Lama	45·00	
123	,, Agnu Orang	45·00	
124	,, Debiram Kolita	45·00	
125	,, Bipin Sinha	10·25	
126	,, Lajrus Ekka	25·00	
127	,, S. K. Bose	400·00	
128	,, Satnam Singh	100·00	
129	,, Sripat Ram	100·00	
130	,, Subir Kr. Dey	100·00	
131	,, Somnath Das	100·00	
132	,, S. K. Jabbar	152·00	
133	,, S. K. Pattanaie	350·00	
134	,, R. K. Raout	152·00	
135	,, Satrughna Mohanty	100·00	
136	,, Ram Narayan Singh	152·45	
137	,, Man Singh	152·00	
138	,, Than Singh	100·00	
139	,, Md. Issaque	100·00	
140	,, Mull Singh	100·00	
141	,, Pious Orang	146·00	
142	,, Nagesh Singh	100·00	
143	,, Mohan Singh	82·00	
144	,, Haril Choudhury	100·00	
145	,, S. Tamang	100·00	
146	,, Rosesh Borcn	100·00	
147	,, Md. Kassim	25·00	
148	,, Trailokyanath Pani	70·00	Advocate
149	,, Amulya Ch. Das	286·56	
150	,, Arun Kr. Deb	565·34	

1	2	3	4
151	Shri Bidhan ch. Na	4,910·49	
152	„ B. Guha	365·00	
153	„ Bhagawat Singh	164·00	
154	„ Dhiren Ch. Choudhury	657·25	
155	„ Dulal Ch. Bhattacharya	278·67	
156	„ Dinesh Ch. Kalita	38·31	
157	„ Gopal Ch. Sarma	766·74	
158	„ Hem Kanta Saud	27·00	
159	„ Indreswar Bhattacharya	669·85	
160	„ Kalyan Das	581·88	
161	„ Kamdev Nath	966·59	
162	„ Mohan Ch. Sinha	2,701·93	
163	„ Man Ram Deka	6·00	
164	„ Md. Noor	202·20	
165	„ Promod Ch. Bashiya	189·80	
166	„ Ramesh Ch. Talukdar	678·24	
167	„ Ramesh Ch. Das	53·00	
168	„ Sailen Kr. Boruah	691·00	
169	„ Sita Ram Mistiri	143·00	
170	„ S. K. Banerjea	88·75	
171	„ T. K. Nath	242·50	
172	„ Umesh Ch. Goswami	40·00	
173	„ Abduj Rouf Khan	219·14	
174	„ Ganesh	18·27	
175	„ P. L. Basu	1,704·33	
176	„ M. M. Khetri	158·25	
177	„ Swapan Mukherjee	630·00	
178	„ Sachin Pran Changakati	305·00	
179	„ Bhauu Singh	35·00	
180	„ Basanta Singh	80·00	
181	„ Gopal Ch. Roy	500·00	
182	„ Satyadeb Yadav	10·00	

1		2	3	4
183	Shri	Asrafi Rai		1,243·25
184	,,	Ibe Singh		3,350·27
185	,,	Kamini Singh		1,233·96
186	,,	Manik Ch. Medhi		295·65
187	,,	Mohan Ch. Saikia		349·11
188	,,	Amrit Ch. Das		284·15
189	,,	Bichitra Kohita		2,188·65
190	,,	Manik Ch. Singh		1,220·52
191	,,	Lakhi Singh		230·10
192	,,	Rajendra Shaw		10·00
193	,,	Ram Ekbal Singh		2,398·54
194	,,	Ram Priyog Rai		735·84
195	,,	Sarat Ch. Nath		2,764·73
196	,,	A. K. Giri		10·00
197	,,	Surendra Singh		2,374·75
198	,,	Ramesh Rai		69·00
199	,,	Parimal Bose		60·00
200	,,	Bimal Kr. Das		50·00
201	,,	Kalicharan Boruah		176·25
202	,,	Sarifuddin Ahmed		74·00
203	,,	Narayana Manna		35·00
204	,,	K. M. B. Bujorbarua		1,338·50
205	,,	Kali Pada Pal		125·00
206	,,	J. Ahmed		201·00
207	,,	Arjun Palwan		541·60
208	,,	R. K. Barik		25·00
209	,,	R. K. Prodha		755·73
210	,,	Ram Pahadur Sarma		927·07
211	,,	Jogendra Rai		28·00
212	,,	Krish Mohan Singh		18·00
213	,,	Momomohan Singh		15.00

4		2	3	4
214	Shri	S. P. Bhattacharya	194·64	
215	,,	A. K. Gupta	22·00	
216	,,	R. Singh	50·00	
217	,,	Kalpataru Mazumdar	199·00	
218	,,	David Macey	1,149·00	
219	,,	Bir Singh	669·75	
220	,,	Ganga Prasad	130·00	
221	,,	Ratan Mallick	38·50	
222	,,	Sohanlal	1,179·33	
223	,,	Sarat Medhi	1,141·49	
224	,,	Phudini Roy	417·25	
225	,,	Kamaswar Jha	1,783·00	
226	,,	Balbir Singh	1,191·95	
227	,,	Jagjit Singh	596·75	
228	,,	Puran Singh I	277·82	
229	,,	Biswanath Singh	137·00	
230	,,	Basanta Singh	70·00	
231	,,	Sampat Rai	1,308·08	
232	,,	Sakin Ali	82·00	
233	,,	Ram Singh	217·84	
234	,,	J. C. Paul	190·00	
235	,,	Naba Kishore Singh	209·50	
236	,,	Jogadish Jha	867·15	
237	,,	Kishandeo	80·60	
238	,,	Bali Sutradhar	2,492·96	
239	,	Sen Prasad Singh	465·00	
240	,,	Biswanath Singh	1,377·10	
241	,,	Hem Kr. Chetri	887·76	
242	,,	Phani Dhar Talukdar	27·50	
243	,,	Ganga Ram Chetri	65·00	
244	,,	Kainni Kr. Choudhury	1,279·00	
245	,,	Sadhan Borua	3,332·00	

1	2	3	4
246	Shri Surajdeo Rai	189·94	
247	„ Tulshi Singh	38·00	
248	„ Nabi Hussain	465·50	
249	„ Sibasankar Jha	5·00	
250	M/s Assam State Elec. Board	1,511·00	
251	M/s. Fertiliser Corpn. of India Ltd.	1,330·20	
252	Shri Gouri Sankar Saraf	1,081·75	
253	„ J. P. Bhattacharya	1,000·00	Advocate
254	M s. Narayanama Motors Silchar	100·00	
255	M/s. Panomobiles Works	1,200·00	
256	„ Sarawgi Motors	25·00	
257	Shri H. Ganguly	40·00	
258	„ Indra Singh	400·00	
259	„ Koliya Bora	200·00	
260	„ M. C. Bhattacharjee	79·00	
261	„ Hansha Sahani	55·00	
262	„ S. B. Dutt	1,900·00	
263	„ A. K. Goswami	10·00	
264	„ Saileswar Chakraborty	50·00	
265	„ Bosil Organ	421·00	
266	„ Mongal Pandey	50·00	
267	„ Balai Sutradhar	18·00	
268	„ N. C. Paul	84·00	
269	„ Samar Das	30·00	
270	„ J. K. Bezbaruah	247·50	
271	„ Lakhmi Nath Sarania	222·57	
272	„ Asrafi Rai	350·00	
273	„ Dilip Sarkar	880·00	
274	„ Doulal Singh	600·00	
275	„ Daraga Singh	345·00	
276	„ Etwa Munda	1,008·00	
277	„ Ganga Prasad	100·00	

1	2	3	4
278	Shri Haril Chowdhury	70·00	
279	,, Hiralal Kumri	210·00	
280	,, Med. Issaque	380·00	
281	,, Jagal Rai	275·00	
282	,, Jogendra Rai	100·00	
283	,, K. B. Rai	20·00	
284	,, K. P. Das	595·00	
285	,, Kamini Singh	30·00	
286	,, Kailash Prosad	565·00	
287	,, Kapildeo Singh	20·00	
288	,, L. Tamang	300·00	
289	,, Lalu Munda	150·00	
290	,, Mahabir Singh	20·00	
291	,, Baijnath Rai	75·00	
292	,, Chandraswar Singh	450·00	
293	,, Chandra Dey	15·00	
294	,, M. C. Madhi	40·00	
295	,, Manik Ch. Singh	40·00	
296	,, M. K. Lama	395·00	
297	,, Mahindra Singh	210·00	
298	,, Monorajjan Ghosh	100·00	
299	,, Paresh Rai	250·00	
300	,, Pius Tappa	150·00	
301	,, Pius Orang	45·00	
302	,, Ram Ch. Das	400·00	
303	,, Rameshwar Singh	300·00	
304	,, Ram Bahadur Sarma	525·00	
305	,, Santosh Bose	56·50	
306	,, S. Nath	430·00	
307	,, S. Medh	60·00	
308	,, Sampat Roy	30·00	
309	,, Sonaram Tamang	167·00	

1	2	3	4
310	Shri S. Pandey	230·00	
311	,, Suraj Rai	250·00	
312	,, Sahadev Choudhury	1,350·00	
313	,, Shyam Bahadur Singh	770·00	
314	,, S. C. Baruah	350·00	
315	,, R. K. Dutta	639·00	
316	,, K.N. Bomik	530·00	
317	Md. Salim	150·00	
318	Shri Kailash Prosad	280·00	
319	,, Hem K. R. Chetri	100·00	
320	,, R. K. Neogi	1,415·56	
321	Md. Khalique	185·00	
322	M/s. Jaldhaka Hydel Project	3,309,60	
323	M/s. Land Acquisition Dept.	775·00	
324	M/s Vehicles Deptt.	28·00	
325	Shri B. Talukdar	45·80	
326	,, Arun Kr. Mondal	99·00	
327	,, A. K. Gupta Bhaya.	5·00	
328	,, B. D. Chattaraj	10·0	
329	,, Santosh Dey	83·00	
330	,, Bidhan Nandi	4,292·50	
331	,, Sambhu Nath Halder	337·12	
332	,, Marendra Nath Mondal	12·68	
333	,, Supriya Gupta	1,752·15	
334	,, P.K.Roy	131·05	
335	,, Nemai Ch. Hudait	130·00	
336	,, Lal Singh	190·00	
337	,, Lal Baboo Parsad	178·00	
338	,, Nikhil Ranjan Goswami	1,493·32	
339	,, D. Choudhury	3,423·26	
340	,, Ram Bilas Yadav	6·15	
341	,, Ranjit Giri	13·37	

1	2	3	4
342	Shri B. Chataraj	2,288·41	
343	,, Ram Parsad Singh	14·35	
344	,, S.V. Raghavan	512·61	
345	,, Ram Provash Saramn	175·00	
346	,, Suprassana Sarkar	510·61	
347	,, Kali Pada Chakraborty	21·25	
348	,, Sasank Sarkar	35·65	
349	,, Ahit Chakraborty	367·83	
350	,, Sanatan Saha	393·95	
351	,, Sadhu Saran Parsad	39·00	
352	,, Ram Swarup	10·00	
353	,, B. P. Khaund	3,081·38	
354	,, Mohoranjan Dey	183·00	
355	,, Bidhan Biswas	125·30	
356	,, Sukumar Nayak	30·00	
357	,, Syamlondu Neogi	218·00	
358	,, A.K. Chanda	810·00	
359	,, Zahir Hussain	50·00	
360	,, P.K. Bhauri	30·00	
361	,, N.K. Mukherjee	334·55	
362	,, Dhirandra Nath Ghosh	39·52	
363	,, M.M. Khatri	17·39	
364	,, Tata Rzo	51·39	
365	,, M.N. Chakraborty	1,598·50	
366	,, S.N. Chatterjee	43·68	
367	,, Harjit Roy	243·94	
368	,, Manoj Kr. Sen	548·00	
369	,, Gaya Prosad	331·82	
370	,, B. B. Rai	130·73	
371	,, Himanshu Mukherjee	40·96	
372	,, Rabindra Nath Mukherjee	883·85	
373	,, B.K. Pal	68·00	

1	2	3	4
		Rs.	
374	Shri B. Panaop	201·73	
375	, Satikanta Lahiri	2,250·00	Advocate
376	„ S.B. Dutt	797·73	
377	„ Tantan Gupta	257·33	
378	M/s A.I.E.	1,116·52	
379	Shri S.P. Waddadar	5·00	
380	„ Shri Anandi Bhattacharya	535·70	
381	„ Anil Kr. Verma	642·57	
382	„ S.K. Mitra	30·00	
383	„ M.R.B. Choudhury	414·47	
384	„ Sitanshu Bhattacharjee	100·00	
385	„ S.K. Mabalanabish	36·37	
386	„ M.M. Handa	100·00	
387	„ Tapan Kr. Lahiri	59·05	
388	„ Ashutosh Nag	₹1,260·41	
389	M/s C.A. Bros	828·94	
390	Shri Dilip Kr. Mitra	13·40	
391	„ C.H.H. Bowdon	132·20	
392	„ T.K. Nath	20·00	
393	„ Baiju Kharia	20·00	
394	„ P.K. Mitra	93·39	
395	M/s C.T.S. New Delhi	100·00	
396	Shri P.R. Paul	75·91	
397	„ S.K. Basu	580·00	
398	„ A.K. Goswami	90·00	
399	„ D. K. Goswami	3,588·12	
400	„ Sukumar Roy	277·00	
401	Shri H. C. Sikdar	80·00	
402	„ Samir Kr. Mazumdar	602·30	
403	„ Sudhin Bhattacharya	300·00	
404	„ Journal Singh	50·00	
405	„ A. K. Mazumdar	2,543·00	

1	2	3	4
		Rs.	
406	Shri S. K. Mukherjee	197·00	
407	„ Siba Prosad Mitra	188·00	
408	„ A. L. Ganguly	300·00	
409	„ R. C. Gupta	795·09	
410	„ S. N. Mondal	37·00	
411	„ Ramdhani Prosad	87·00	
412	„ Gobordhan Prosad	87·00	
413	„ B. K. Mukherjee	108·00	Advocate
414	M/s Associated Advertiser	300·00	
415	M/s Sibpore Trans Co.	1,190·00	
416	„ I.T.F. & Co.	19,301·65	
417	„ Consolidate Indus.	4,000·00	
418	„ Truck Lines Ltd.	12,000·00	
419	Shri R. K. Mukherjee	3,500·00	
420	M/s. Eastern Railways	750·00	
421	„ Queensland Insurance	16·16	
422	Shri Tarapad Halder	98·63	
423	„ Bimal Dey	1,190·83	
424	„ Daulat Ram	328·58	
425	„ Amal Sarkar	15·19	
426	„ Austo Manna	48·64	
427	„ Arun Sen Gupta	1·63	
428	„ N. Bhattacharya	110·00	
429	„ Anadi Nath Sarkar	70·00	
430	„ Ashim Kundu	0·05	
431	„ Anil Kr. Sinha	30·00	
432	„ Badal Das	333·32	
433	„ Bijon Biswas.	75·42	
434	M/s Delhi Branch	300·00	
435	„ Manoj Kr. Ghosh	225·00	
436	„ Nil Kanta Sardar	116·68	

1	2	3	4
		Rs.	
437	Shri R. B. Mukherjee	70·00	
438	„ Sankar Mitra	131·92	
439	„ Sankar Ghoshal	71·92	
440	„ S. K. Banerjee	501·87	
441	„ Sudhir Rajan Choudhury	151·39	
442	„ Sahadev Sarkar	35·42	
443	„ Sunil Saha	65·00	
444	„ Sambhu Sardar	500·00	
445	„ Santi Roy	50·00	
446	„ Sasanka Ghosh	60·00	
447	M/s Punjab Motors	200·00	
448	Shri Noor Mohammad	93·56	
449	„ Md. Yasin	116·16	
450	„ Sekhar Das Gupta	11·00	
451	„ Deepak Kr. Mitra	1,633·86	
452	„ M. K. Das	8,492·25	
453	„ J. P. Baurah	3,657·45	
454	„ Rabindra Nath Dutta	739·00	
455	„ R. C. Paul	5,572·77	
456	„ S. Chakraborty	50·00	
457	„ R. K. Basumatry	292·72	
458	„ Sankar Nag	20·00	
459	„ Swapan Biswas	5·00	
460	„ Jagdish Saha	14·72	
461	„ Mait Raj Subba	155·25	
462	„ Sukharanjan Das	84·00	
463	„ Marinal Kanti Das	40·00	
464	„ L. Tamang	50·00	
465	„ Mahendra Singh II	23·40	
466	„ Kebala Nanda	5·70	
467	„ Sodi Singh	286·20	
468	„ Samir Kr. Roy	370·29	

1	2	3	4
		Rs.	
469	Shri Gore Lal	60·00	
470	„ Radha Kissan Singh	11·90	
471	„ A. K. Motilal	617·71	
472	„ Prabha Sahani	1,150·13	
473	„ Devid Marrey	219·40	
474	„ Pandhanan Jha	32·50	
475	„ Manaranjan Ghosh	2,018·84	
476	„ Ranjit Kr. Saha	127·77	
477	„ Bachan Singh	977·27	
478	„ Ram Nagina Singh	468·35	
479	„ Hemanga Mohan Ghosh	384·08	
480	„ Raj Bahadur Singh	1,240·42	
481	„ Rabi Mohanto	875·91	
482	„ Puran Singh II	254·92	
483	„ Ram Singh	390·93	
484	„ Jagdish Jha	1,081·53	
485	„ Sankar Singh	1,187·62	
486	„ Kishori Singh	973·91	
487	„ Prabhu Nath Singh	1,124·08	
488	„ Balbir Singh	132·13	
489	„ K. B. Lamba	160·00	
490	„ Nayan Ch. Borah	71·00	
491	„ Madhu Sudan Patra	1,757·06	
492	„ Md. Samin	130·00	
493	„ Kamini Kr. Ch	41·28	
494	„ Man Singh	406·36	
495	„ Suren Ch. Deka	263·00	
496	„ Suraj Deo Rai	1,097·00	
497	„ Seva Singh	3,383·85	
498	„ Ganjan Singh	110·84	
499	„ Ranjit Kr. Dutte	105·25	

1	2	3	4
		Rs.	
500	Shri Someswar Rajbanshi	1,443·44	
501	„ Nagesh Singh	954·32	
502	„ Daroga Singh	2,543·19	
503	„ Pious Orang	786·01	
504	„ Ram Narain Singh	200·26	
505	„ Man Bahadur	693·21	
506	„ Kamini Singh	1,747.12	
507	„ Haripada Mallick	422·13	
508	„ Chandreswar Singh	594·40	
509	„ Prem Singh	1,127·49	
510	„ Narayan Singh	761·93	
511	„ Sahadev Jana	42·00	
512	„ Phuleswar Roy	1,064·34	
513	„ Sakal Pandey	155·92	
514	„ Mahinder Singh	206·23	
515	„ Nand Singh	415·23	
516	„ Rajpath Singh	10·00	
517	„ Jiten Biswas	1,607·59	
518	„ K. N. Bhowmick	217·74	
519	„ K. Roy howdhury	1,372·72	
520	„ Atwa Munda	712·10	
521	„ K. P. Saha	40·00	
522	„ Man Mohan Das	1,488·66	
523	„ Deonath Singh	60·00	
524	„ Dilip Sarkar	457·41	
525	„ Sukharanjan Chakraborty	1,704·04	
526	„ John Orang	552·42	
527	„ Jagajit Singh	3,013·69	
528	„ Sadhi Singh	1,446·35	
529	„ K. S. Chowdhry	910·47	
530	„ Ramashis Yadav	207·69	
531	„ K. L. Chatterjee	1,934·74	

1	2	3	4
		Rs.	
532	Shri N. B. Ghosh	375·68	
533	„ Md. Issaque No. I	4,701·81	
534	„ Kailash Prasad	2,535·42	
535	„ Sohan Singh.	154·90	
536	„ Dayal Singh	239·76	
537	„ Muktear Singh	1,669·61	
538	„ Sohan Lal	5,592·96	
539	„ Rameswar Singh	1,323·41	
540	„ Sahadeb Chowdhury	2,064·63	
541	„ Ram Prasad Show	40·00	
542	„ B. D. Misra	892·07	
543	„ Satya Narayan Pandey	276·08	
544	„ Somenath Sarma	241·24	
545	„ Subir Kr. Dey	144·85	
546	„ Kul Bahadur Gehtri	82·00	
547	„ Prem Singh II	193·90	
548	„ Shew Prasad Singh	1,975·30	
549	„ Shyama Pada Das	62·80	
550	„ Deolal Singh	547·30	
551	„ K. B. Rai	1,599·54	
552	„ Baleswar Singh	695·53	
553	„ Umasankar Bhatta	1,508·74	
554	„ P. C. Pathak	591·68	
555	„ Sampat Rai	717·28	
556	„ Krishna Mohan Singh	415·00	
557	„ Joseph Minz.	60·00	
558	„ Ranjit Mallick	50·00	
559	„ Jog Narayan Yadav	3,386·49	
560	„ Kanti Lal Vyas	801·21	
561	„ Hark Bahadur	10·00	

1	2	3	4
		Rs.	
562	Shri Sadhan Baruah	1,258·96	
563	„ Hari Charan Ram	220·24	
564	„ Basil Orang	1,125·00	
565	„ Nayayana Ch. Paul	45·00	
566	„ Md. Martaza Hussain	52·50	
567	„ Mongru Keeri	109·00	
568	„ Gaya Lala	69·00	
569	„ Muneshwar Rai	498·95	
570	„ Jagadish Chand	65·00	
609	„ Bhagwad Prosad	35·00	
610	„ Bailunath Prosad	25·00	
611	„ Bhuvanoswar Singh	651·00	
612	„ Baldeb Raj	297·66	
613	„ Bhan Singh	100·00	
614	„ Basudeb Sukdeb	50·00	
615	„ Balai Sutradhar	25·00	
616	„ Bichitra Kolita	107·00	
617	„ Bichitra Singh	80·00	
618	„ Bir Singh	75·00	
619	„ Sudhir Das	25·00	
620	„ Rajit Kr. Saha	37·50	
621	„ Chabilal Chetri	145·00	
622	„ Chandra Dew	37·50	
623	„ Chulai Mia	37·50	
624	„ Darsan Singh I	441·94	
625	„ Dulal Chaudhury	51·90	
630	„ Dharam Paul	128·01	
631	„ Dharam Vir	82·28	
632	„ Dharam Deo Rai	363·10	
633	„ Gulzer Singh	156·00	
634	„ Gundur Singh	28·00	
635	„ Gobind Prosad Kaisal	97/26	

1	2	3	4
		Rs.	
636	Shri Gopal Singh	10·00	
637	,, Ganga Prosad	107·02	
638	,, Gurudayal Singh	719·90	
639	,, Gopal Ray	65·00	
640	,, Hem Kr. Chetri	185·50	
641	,, Haril Choudhury	293·50	
642	,, Harpal Singh	670·00	
643	,, Hirshi Kumar	50·00	
644	,, Hari Mangal Rai	19·00	
645	,, Indra Sen	77·50	
646	,, Igness Kujur	175·00	
647	,, Journal Singh	521·11	
648	,, Joseph Ekka	2,334·76	
649	,, Jumuna Rai	737·73	
650	,, Jeet Singh	95·00	
651	,, J. C. Sinha	1,399·34	
652	,, Joginder Singh	90·00	
653	,, Janardhan Pandey	788·03	
654	,, Johan Rosaily	10·00	
655	,, Jayanta Kumar	10·00	
656	,, Joginder Rai	50·04	
657	,, Jog Narayan Singh	1,240·85	
658	,, Jay Narayan Bhatitha	140·00	
659	,, Kartick Ch. Dutt	37·50	
660	,, Kishanlal	541·40	
661	,, Kalipada Das	1,942·15	
662	,, Karsan Das	255·09	
663	,, K. S. Thatal	100·00	
664	,, Kapil Deb Singh	101·00	
665	,, Kulkit Singh	10·00	
666	,, Narayan Singh	77·00	
667	,, K. S. Nandi	50·00	

1		2	3	4
			Rs.	
668	Shri	Lius Kunjur	325·00	
669	,,	Lajja Ram	335·69	
670	,,	Lav Singh	1,207·53	
671	,,	Lakshan Kissan	224·93	
672	,,	Lalit Sarma	38·00	
673	,,	Lakshan Lal Misra	386.32	
674	,,	Larji Sarma	20·00	
675	,,	Manik Singh	1,078.00	
676	,,	Mahabir Singh	94·00	
677	,,	Mohan Lohar	380·30	
678	,,	Man Singh	115·00	
679	,,	Mukter Tiwari	125·00	
680	,,	Mulkit Singh	57·50	
681	,,	Manmotha Das	127·50	
682	,,	Manik Rao Satpal	100·00	
683	,,	Matiram Baruah	15·00	
684	,,	M.K. Laman	45·90	
685	,,	Mangal Pandey	888·10	
686	,,	Md. Salim	138·79	
687	,,	Mohan Singh	75·00	
688	,,	M.K. Tamang	300·00	
689	,,	Netail Ch. Dey	125·00	
690	,,	Neapl Mahato	128·00	
691	,,	N.N. Bownik	536·24	
692	,,	Nishi Kanta Bose	165·00	
693	,,	Narayan Badarji	50·00	
694	,,	Nabarang Singh	582·78	
695	,,	Nandalal Hazarika	37·00	
696	,,	Nanhoo	85·00	
697	,,	Narayan Pal	10·00	
698	,,	Nandalal Raut	37·50	

1		2	3	4
			Rs.	
699	Shri	Narendra Ch. Sen	150·00	
700	,,	Narayan Manna	35·00	
701	,,	Omar Hadi	130·75	
702	,,	P.K. Mukherjee	1,383·48	
703	,,	Pradyman Paul	110·00	
704	,,	Ram Bahadur Sarma	349·45	
705	,,	Ramesh Nath	321·20	
706	,,	Ram Sakal Sarma	14·50	
707	,,	Rosesh Borah	65·00	
708	,,	Ram Prabesh Sarma	135·00	
709	,,	Ranajit Singh	50·00	
710	,,	Raskad Hossain	70·00	
711	,,	Ranjit Bose	215·00	
712	,,	Rosan Lal	983·31	
713	,,	Ram Sevek Dube	20·00	
714	,,	Ram Swarat Yadav	730·00	
715	,,	Ratan Mali	25·00	
716	,,	Rampati Kairi	10·00	
717	,,	Ramji Gupta	57·70	
718	,,	Ram Kissan Sardar	2,700·00	Contractor
719	,,	Ram Pher Pandey	1,058·00	
720	,,	Ram Gh. Sukharam Gode	100·00	
721	,,	Rafal Orang	5·00	
722	,,	Ramesh Ch. Das	450·00	
723	,,	Ramlal Saha	170·00	
724	,,	Ram Prosad Singh	53·50	
725	,,	Ram Ch. Singh	49·50	
726	,,	Ram Bridge Singh	390·00	
727	,,	Raghubir Singh	1,472·22	
728	,,	Raghasyam Singh	700·00	
729	,,	Ramjit Gorah	52·50	

1	2	3	4
		Rs	
730	Shri Ram Dhani Singh	37·50	
731	,, S. Nanhoo	50·00	
732	,, Surendra Rai	140·00	
733	,, Surendra Singh	602·75	
734	,, Sarbans Singh	175·00	
735	,, Shyam Bahadur Singh	384·00	
736	,, Srepat Ram	427·94	
737	,, Sunil Chowdhury	50·00	
738	,, Sibnath Singh	277·50	
739	,, Sunil Chowdhury	15·00	
740	,, Somesh Roy	175·00	
741	,, S. P. Gupta	550·00	
742	,, Stephen Excers	70·00	
743	,, Sukha Mandur Singh	150·00	
744	,, Surajit Singh	1,165·63	
745	,, Satya Narayan Yadav	230·00	
746	,, Stayanay Singh	268·25	
747	,, Srinivas Mondal	37·50	
748	,, Tribuban Singh	97·00	
749	,, Uma Kanta Nath	217·50	
750	,, Amaresh Roy	525·75	
751	,, Paresh Rai	637·42	
752	,, Pal Singh	168·26	
753	,, Panna Lal Shaw	2,269·64	
754	,, Fullobaljit	100·00	
755	,, Prafulla Roy	100·00	
756	,, P. B. Gurang	607·88	
757	,, P. B. Chetri	125·00	
758	,, Parasunath Singh	100·00	
759	,, Pius Kulu	244·78	
760	,, Pratap Singh	1,229·00	
761	,, Paresh Ch. Dey	472·50	

1	2	3	4
		Rs.	
762	Shri T. K. Nath	125·00	
763	,, Abdul Rouf Khan . .	66·00	
764	,, S. K. Sarma	66·00	
765	,, Krishna Mahanta	10·00	
766	,, Journal Singh	265·00	
767	,, Nowrang Singh . .	190·00	
768	,, Dalip Singh . .	50·00	
769	,, Sitaram .	50·00	
770	,, Sheupujan .	70·00	
771	,, B. L. Thakur	1,121·57	
772	,, Bura Singh . .	943·00	
773	,, B. K. Misra . . .	877·85	
774	,, Md. Isseq III . .	1,452·40	
775	,, Satya Narayan Singh . .	10·00	
776	,, Bahadur Singh .	41·85	
777	,, Pashed . . .	41·85	
778	,, Man Bahadur Sarma .	97·00	
779	,, Swapan Kr. Dutta .	27·50	
780	,, Tulshi Singh . .	15·00	
781	,, Shyamla Kr. Mondal . .	10·00	
782	,, Lalu Mumda . . .	37·50	
783	,, Ram Ekbal Singh . . .	190·00	
784	,, Mul Singh	37·50	
785	,, Biswanath Singh I. . . .	411·74	
786	,, Biswanath Singh II	993·02	
787	,, Mufal Lal	89·20	
788	,, Ram Lal Lala	37·25	
789	,, Chandra Kanta Deka . . .	995·86	
790	,, Kalyan Bhattacharya	1,222·00	

APPENDIX XVIII

(*Vide* reply to Recommendations at Sl. Nos. 20, 21 and 22)

Copy of Confidential D.O. letter No. 12559, from Shri A. K. Mazumdar I.A.S., Chairman, Orissa State Electricity Board, Bhubaneswar-7 to Shri K. Srinivasan, Managing Director, CRTC Ltd., Calcutta, dated the 7th October, 1970.

Please refer to your d.o. letter No. Secy|CRTC|M-26|70|2829, dated the 3rd October, 1970, relating to the observations of the Parliamentary Committee on Public Undertakings on the working of the C.R.T.C., I have also read Shri O. P. Sharma's letter. dated 19th August, 1970 and the note enclosed therewith.

That, it politely, the facts stated by Shri O. P. Sharma in para 2 of his letter are a tissue of lies. The deal in question was entered into by Shri O. P. Sharma without my knowledge and approval. Later, this transaction came to my notice. I was later introduced to Shri Sayal by Shri O. P. Sharma as a close friend and was told that he was a reputed businessman and would be helpful to the C.R.T.C. in getting business. As far as I recall, I took Shri Sharma to task for granting several advances to Shri Sayal without my approval. Later on, I was convinced that Shri Sayal was very undependable and capable of resorting to fraudulent practices in cheating the C.R.T.C. In fact, at my instance, a criminal as well as a civil suit was filed against Shri G. L. Sayal in respect of fraudulent transactions entered into with C.R.T.C. and for recovering the dues. As Shri Sayal happened to be the Secretary of the Indian Institute of Road Transport, Calcutta Branch, I had on several occasions approached Shri A. B. Ganguli, I.C.S., who was the Chairman of the Institute, to use his good offices in persuading Shri Sayal to pay up the dues of C.R.T.C. I had even told Shri Ganguli that it would not be possible for the C.R.T.C. to continue as a corporate member of his Institute if Shri Sayal continued as its Secretary any longer.

Incidentally, several transactions entered into by Shri O. P. Sharma as F.A. and C.A.O. of C.R.T.C. were found to be *malafide* and against the interests of C.R.T.C. I can recall one clear case now. It was considered necessary to have a plot of land to locate the workshop of the C.R.T.C. in Calcutta Shri O. P. Sharma negotiated a plot of land somewhere in the Beliagatta area (which was an abandoned factory site) at a monthly rent of about Rs. 2500 per

month. (I do not remember the exact figure, as it is a matter about six years old). I got confidential information that he was going to make some monetary profit out of the deal. I then approached the Deputy Chairman of Calcutta Port Commissioners (Shri S. K. Ghosh) and persuaded him to lease out a plot of area for the purpose in the Taratolla locality, the rent of which was initially about Rs. 300 per month. (The amount is subject to correction, as I do not remember exactly). The relevant papers may be looked into for the details.

Shri Sharma maintained the accounts of the C.R.T.C. in a most objectionable manner. He adopted the cash system of accounting and he justified it by saying that it was the prevalent practice in the railways, the biggest public undertaking in the country. The result was that in the quarterly financial statements placed before the Board he used to manipulate the profit figure arbitrarily. After my predecessor Shri Lulla left the Corporation, there was a gap of three to four months before I took over. During this period Shri Sharma officiated as Managing Director. He postponed payment of several dues to the parties, and thereby showed profit during that period on the basis of his cash system of accounting. As soon as I joined, he started paying all the arrear dues, and the quarterly statements showed heavy losses, again on the basis of cash system of accounting. It took me quite some time to see through the game. Ultimately, I discussed the matter with the then Chairman, Shri P. C. Mathew I.C.S., and got a resolution passed by the Board to adopt the commercial system of accounting. I also mentioned to Shri Mathew about the dishonest dealings of Shri Sharma and finally was able to get rid of him.

The above facts would illustrate that Shri Sharma was a corrupt and crooked officer and his statements should not be believed without due verification.

I hope the above facts will be useful in disposing of the matter.

With best wishes.

Copy of D.O. letter dated the 29th November, 1970 from Shri A. K. Mazundar, I.A.S., Orissa State Electricity Board, Bhubaneswar to Shri K. Srinivasan, Managing Director, Central Road Transport Corporation Ltd., 4-Fairlie Place, Calcutta.

Please refer to your D.O. No. Secy|CRTC|M-26|70|3320, dated the 10th November regarding to advances made by C.R.T.C. to

Messrs. Truck Lines (India). The facts, as you would remember, relate to cases which are very old. However, based on my memory, I would offer the following comments.

2. *Para 2 of your D.O.*—As I mentioned in my earlier D.O., dated the 7th October, Shri O. P. Sharma, F.A. & C.A.O. told me that he had entered into this deal with a view to getting sizeable business for the C.R.T.C. I had naturally to rely on the assurances of Shri Sharma, as at that time I had no occasion to suspect his integrity. This explains why I accorded *ex-post facto* sanction to the action taken by him on the basis of his specific request and assurance. This does not detract from the fact that the deal was initiated by Shri Sharma, and the responsibility for this must be squarely on him and not on anybody else. This also explains why the second advance had my approval.

3. *Para* 3.—I have referred to the comment of Shri Sharma in item (2) of his D.O., dated 19th October, 1970. The procedure observed in such cases in C.R.T.C. was that the F.A. & C.A.O. first scrutinised the case where payment was involved and after his vetting, the order of the Managing Director was taken. Shri Sharma's presumption that Shri Sayal "must have obtained the M.D.'s approval before booking a fresh transaction on 29th October, 1956" is incorrect, untenable and not based on the procedure and practices followed in the C.R.T.C. The relevant papers may be looked up in this connection if available.

4. *Para* 4.—I do not remember if I also issued a written reprimand to Shri Sharma, F.A. & C.A.O. for making advances without my approval, but I definitely recall having expressed my displeasure to Shri Sharma verbally for his irregular action. I hope you will appreciate that at the time the matter came to my notice I had no reasons to suspect the integrity of Shri Sharma and approved his action *ex-post facto* under the belief that it was a bona fide deal. In a commercial undertaking of the type of C.R.T.C. in many cases action had to be taken by responsible officers in anticipation, and wherever I considered their action bona fide,, I used to approve of them *ex-post facto*. In fact, as soon as the suspicious nature of the deal came to my notice, I informed the Chairman Shri P. C. Mathew, I.C.S., and ultimately place the matter before the Board. I think this will be apparent from the relevant minutes of the 19th meeting of the Board drafted by me.

In this connection I would mention that the procedure followed in C.R.T.C. was that the minutes of the meeting of the Board used to be drafted originally by the Secretary at Delhi and sent to the

Managing Director at Calcutta for approval. I, as Managing Director, used to make extensive corrections in the drafting of the Secretary whenever called for, and the minutes as finalised by me used to be, as a matter of course, approved by the Chairman, Shri P. C. Mathew, I.C.S. I do not recall a single case where the minutes as amended and corrected by me, were modified, far less disapproved, by the then Chairman Shri P. C. Mathew, I.C.S. This procedure was departed from during the short period when Shri P. C. Mathew, ceased to be Chairman, and no Chairman was appointed by Government for C.R.T.C. As far as I recall, during this period there were a few meetings which were presided over by the Government represntatives on the Board by turn. I felt that as the next seniormost Member on the Board it should have been normal for me, the Managing Director, to preside over such meetings. But the matter used to be discussed confidentially between the representatives of the Ministries and they used to name the Chairman for each meeting excluding me from consideration, and I felt awkward to protest. Even in respect of these meetings there was no difference between by drafting and the views of the officiating Chairman. Only on one occasion, namely, the 19th meeting of the Board, the Railway Board representative acted as Chairman of the meeting, and on this occasion alone my drafting was rejected by the officiating Chairman for reasons not disclosed to me and without any discussion with me. As far as I recall, Shri Madappa, Joint Secretary, Ministry of Transport considered this most unfair and took his Ministry's representatives on the Board to task on this account. The business office of the C.R.T.C. used to be located at Calcutta, and I functioned as head of that office there, but the registered office continued to be located at Delhi, and the Secretary was posted there. The minutes were re-drafted by consultation between the Secretary and the officiating Chairman and may be with other members of the Board, this was all without my knowledge. I still maintain that the minutes as drafted by me were the correct record of the proceedings. The acting Chairman was not fair in imposing his own draft on the management. On this aspect I would suggest that I may be given a personal hearing by the Parliamentary Committee where I could mention fuller details.

5. In conclusion, it is my view that Sharma has to be held responsible for making the advances which was done on his own initiative and without my prior knowledge. My post approval was based on his advice that the deal was going to advance the cause of business of the CRTC, and I approved the action in the bona fide belief that his advice was correct, as at that time I had no reason to doubt his integrity. As the Chief executive of the company I had to rely on

the advice of my senior officers, and such bona fide action on my part does not, in my opinion, lead to the conclusion that responsibility for entering into the deal should not be attributed to Shri O. P. Sharma, F.A. & C.A.O. who, in fact, initiated the deal himself.

6. I suggest that my views contained in this letter as well as in my previous letter of the 7th October may be placed before the Committee with the request that I may be given a personal hearing, if considered necessary.

The delay in replying to your letter is regretted.

With best wishes.

APPENDIX XIX

(*vide* reply to recommendations at Sl. Nos. 20, 21 and 22)

Powers delegated to Managing Director at the 9th meetng of the Board held on 15-7-65

Nature of power	Extent of the power delegated	Conditions subject to which the power may be exercised.
1	2	3
A. *ESTABLISHMENT*		
1. Fixatoin of pay on promotion	Full powers	Subject to the normal Government rules.
2. Grant of normal increments	Do.	
3. Extension of joining time .	Do.	
4. Advance of pay & T.A. .	Do.	
5. Sanction of permanent advance/inprest.	Do.	The amount should not exceed Rs. 500 in each case.
6. Grant to or acceptance by Company employees of (a) honoraria or fees . (b) rewards & incentives .	Upto Rs. 5000 in each case, but not exceeding a total of Rs. 1,000 - (one thousand) per annum for any employee.	
7. To accept surety bonds-executed by staff handling cash and stores etc.	Full powers	
8. Acceptance of resignation 9. Termination of services, reduction to a lower grade & with holding of increments	Full powers	This power is to be exercised in the case of eployees, the maximum scale of pay of which is Rs. 650 - per month or less.
10. Reimbursement of legal expense of an employee who incurs the expenses in defending legal poceedings instituted against him in respect of acts done or purporting to be done in the execution of his duties.	Full powers upto a maximum of Rs. 500 - in each case.	
11. Payment of compensation to the employee in cases of accidents in accordance with	Full powers	It is considered that more liberal treatment than admissible

1	2	3
the provisions of Workmen's Compensation Act.		under the Act is called for, prior approval of the Board would be necessary.
B. *WORKS*		
1. Sanction to detailed estimates for works included in the works programme approved by the Board.	Full powers, upto 10% over the original estimate	A report should be made to the Board.
2. Acceptance of tenders for aprroved works when open tenders are invited and the lowest admissible tender is to be accepted.	Full powers	
3. Acceptance of limited tenders for reasons to be recorded in writing.	Upto Rs. 50,000/-	A report should be made to the Board.
4. Awarding contract without calling for tenders in emergent cases for reasons to be recorded in writing.	Upto Rs. 10,000/-	Do.
5. Acceptance of contract where the lowest tender is not being accepted, for reasons to be recorded in writing	Upto Rs. 10,000/-	
6. Maintenance & repairs to roads and buildings, machinery and vehicles.	Full powers	
7. To award contracts for loading, unloading, handling, transport etc.	Upto 1 year & for an amount not exceeding Rs. 50,000 - in each place.	
NOTE: All contracts have Rs. 10,000 - should normally be made after a public invitation to tender.		
C. *PURCHASE*		
1. Acceptance of tenders when open tenders are invited and the lowest admissible tender is to be accepted.	Full Powers	
2. Acceptance of limited tenders for reasons to be recorded in writing.	Upto Rs. 10,000/-	
3. Sanction to purchase without calling for tenders in emergent cases for reasons to be recorded in writing.	Upto Rs. 5,000/-	

1	2	3
4 Sanction to purchase, where the lowest tender is not being accepted for reasons to be recorded in writing.	Upto Rs. 10,000/-;	A report should be made to the Board.
5. Supplementary agreements on purchases	Upto 10 % excess over the original contract	
6. To waive liquidated damages in cases of late deliveries		
(*a*) Where no loss is incurred	Full powers	
(*b*) Where an actual loss is incurred.	Upto Rs.,1,000/-	

NOTE:—All contracts above Rs. 10,000 should except in the case of items for which rate contracts are finalised by Association of State Transport Undertakings normally be made after a public invitation to tender.

D. *Contingencies and Miscellaneous*:

1. To sanction contingent expenditure	Upto Rs.,10,000/- for a year.	
2. To sanction expenditure on entertainment	Upto Rs. 500/- for each occasion.	
3. To sanction purchase of stationery and stores including office equipment (other than for works)	Full powers . .	Subject to the normal Government rules.
4 To sanction telephone .	Full powers	
5 Publicity & Advertisement .	Any scheme costing upto Rs.. 10,000/-.	
6. To sanction legal charges .	Full powers	A report should made to the Board.
7. (*a*) To declare store as surplus/ unservicable to fix their selling price and to prescribe the mode of their disposal.	Upto Rs. 1 lakh per per annumn.	Do.;
8**. Insurance; . . .	Full powers in regard to moveable and immovable property of; the Company.	A report should be made to the Board. The insurance should as far as possible be with the L. I. C. or the Insurance Pool.
9. Investment of money not immediately required for the purpose of the Company	Full powers to invest money in call & fixed deposits with the	A report should be made to the Board.

**(*b*) Writing down the value of surplus obsolete stores on the book upto one lakh per annum.

1	2	3
	banks approved by the Board for the purpose and to invest in trust securities.	
E. *Transport Charges*		
Transport charges . . .	Full powers except that transport contracts with private parties at rates below cost shall not be entered without prior approval of the Board. Provided that the above shall not apply to back loads in trucks in which case the best available load may be picked up.	

NOTE :—No expenditure is to be incurred unless it is covered by the Budget provision.

Extract from the Minutes of the 2nd Meeting of the Board of Directors of Central Road Transport Corporation Ltd. held on 15th May, 1964.

* * * *

Item No. 9: Delegation of powers to the Managing Director

The Board considered the first 8 items in the schedule attached to the proposal for delegation of powers to the Managing Director and resolved that the papers be delegated in respect of the matters stated therein as mentioned in the accompanying Annexure. The Board postponed consideration to the next meeting of the proposal regarding the remaining powers and directed that pending finalisation thereof, the Managing Director may exercise the powers mentioned in the accompanying Annexure and also the powers delegated to him in the 1st meeting of the Board.

ANNEXURE

	Nature of powers	Powers delegated to the Managing Director
A.	*Establishment.*	
1.	Creation of posts . . .	Creation of temporary posts, the maximum scale of pay of which is Rs. 300/- p. m. or less, for a period not exceeding one year and to sanction continuance of any post for another year.
2.	Appointments and fixation of initial pay	Power to select and appoint, all staff against posts the maximum of the scale of pay of which is Rs. 650/- per month, or less provided that (*a*) The Managing Director will be competent to fix the initial pay of a selected candidate at any stage of the time scale higher than the minimum in regard to any post which he is empowered, by these delegations to create. (*b*) The final selection of incumbants for posts carrying a maximum pay more than Rs. 650/- will rest with the Board.

1	2	3
3.	Grant of leave	. Full powers subject to the condition that leave sanctioned shall in no case exceed what would have been admissible if the employee had been a Central Government Servant.;
4.	All matters relating to grant of travelling allowance including conveyance allowance.	Full powers subject to the condition that the travelling allowance including conveyance allowance sanctioned shall in no case exceed what would have been admissible if the employee had been a Central Government servant.
5.	Travel by air .	. Full powers for travel by Air in the area of of West Bengal and Assam States.
6.	Transfer of Officers and staff	. Full powers
7.	To make officiating arrangements	. Full powers
8.	To restrict the pay of an officiating employee.	Full powers..

Extract from the Minutes of the 9th Meeting of the Board of Directors of Central Road Transport Corporation Ltd. held on 15th July, 1965.

* * * *

Item No. 9: *Delegation of Powers to the Managing Director*

Resolved that the powers specified in the annexed statement be delegated to the Managing Director and that the power which was previously delegated regarding sanction of Travel by Air be enhanced so as to give him full powers for sanctioning travel by air in any part of the country.

* * * *

Statement showing the powers delegated to the Managing Director at the ninth meeting of the Board of Directors.

Nature of Powers	Extent of the power delegated	Conditions subject to which the power may be exercised
1	2	3
A. *Establishment* :		
1. Fixation of pay on promotion.	Full powers	Subject to the normal Government rules.
2. Grant of normal increments	Full powers	
3. Extension of joining time .	Full powers	
4. Advance of pay & T. A. .	Full powers.	

1	2	3
5. Sanction of permanent Advance/Imprest.	Full powers	The amount should not exceed Rs. 500/- in each case.
6. Grant to or acceptance by Company employees of— (*a*) honoraria or fees (*b*) rewards & incentives	Upto Rs. 500/-in each case, but not exceeding a total of Rs. 1,000/- (One thousand) per annum for any employee.	
7. To accept surety bonds executed by staff handling cash and stored etc.	Full powers	
8. Acceptance of resignation.	Full powers	This power is to be exercised in the case of employees, the maximum scale of pay of which is Rs. 650/- per month or less.
9. Termination of services, reduction to a lower grade & witholding of increments	Full powers	
10. Reimbursement of legal expenses of an employee who incures the expenses in defending legal proceedings instituted against him in respect of acts done or purporting to be done in the execution of his duties.	Full powers upto a maximum of Rs. 500/- in each case.	
11. Payment of compensation to the employee in case of accidents in accordance with the provisions of Workmen's Compensation Act.	Full powers	It is considered that a more liberal treatment than admissible under the Act is called for prior approval of the Board would be necessary.
B. *Works ;*		
1. Sanction to detailed estimates for works included in the works programme approved by the Board.	Full powers upto 10% over the original estimate.	A report should be made to the Board.
2. Acceptance of tenders for approved works when open tenders are invited and the lowest admissible tender is to be accepted.	Full powers	
3. Acceptance of limited Tenders for reasons to be recorded in writing.	Upto Rs. 50,000/-	A report should be made to the Board.
4. Awarding contracts without calling for tenders in emergent cases for reasons to be recorded in writing.	Upto Rs. 10,000/-	A report should be made to the Board.

1	2	3
5. Acceptance of contract where the lowest tender is not being accepted, for reasons to be recorded in writing.	Upto Rs. 10,000/-	A report should be made to the Board.
6. Maintenance & repairs to roads and buildings, machinery and vehicles.	Full powers	
7. To award contract for loading, unloading, handling, Transport etc.	Upto 1 year & for and amount not exceeding Rs. 50,000 in each place.	

NOTE.—All contracts above Rs. 10,000 should normally be made after a public invitation to tender.

C. *Purchase* :

1. Acceptance of tenders when open tenders are invited and the lowest admissible tender is to be accepted.	Full powers.	
2. Acceptance of Limited tenders for reasons to be recorded in writing.	Upto Rs. 10,000/	
3. Sanction to purchases without calling for tenders in emergent cases for reasons to be recorded in writing.	Upto Rs. 5,000.	
4. Sanction to purchase, where the lowest tender is not being accepted for reasons to be recorded in writing.	Upto Rs. 10,000	A report should be made to the Board.
5. Supplementary agreements on purchases.	Upto 10% excess over the original contract.	
6. To waive liquidated damages in cases of late deliveries.		
(*a*) Where no loss is incurred	Full powers.	
(*b*) Where an actual loss is incurred.	Upto Rs. 1,000	

NOTE.—All contracts above Rs. 10,000 should except in the case of items for which rate contracts are finalised by Association of State Transport Undertakings. Normally be made after a public invitation to tender.

D. *Contingencies and Miscellaneous* :

1. To sanction contingent expenditure.	Upto Rs. 10,000 a year.	

1	2	3
2. To sanction expenditure on entertainment.	Upto Rs. 500 for each	
3. To sanction purchase of stationery and stores including office equipment (other than for works).	Full powers.	Subject to the normal Government rules.
4. To sanction telephone .	Full powers.	
5. Publicity & Advertisement	Any scheme costing upto Rs. 10,000.	
6. To sanction legal charges	Full powers	A report should be made to the Board.
7. (*a*) To declare stores as surplus/unserviceable, to fix their selling price and to prescribe the mode of their disposal.	Upto Rs. 1 lakh per annum	A report should be made to the Board.
(*b*) Writing down the value of surplus obsolete stores on the books.	Upto Rs. 1 lakh per annum	Do.
8. Insurance .	Full powers in regard to moveable and immovable property of the company.	A report should be made to the Board. The insurance should as far as possible be with the L.I.C. or the Insurance pool.
9. Investment of money not immediately required for the purpose of the company.	Full powers to invest money in call & Fixed deposits with the banks approved by the Board for the purpose and to invest in trust securities.	A report should be made to the Board.
E. *Transport Charges* :		
Transport charges .	Full powers except that transport contracts with private parties at rates below cost shall not be entered without prior approval of the Board. Provided that the above shall not apply to backloads in trucks in which case the best available load may be picked up.	

NOTE.—No expenditure is to be incurred unless it is covered by the Budget provision.

CENTRAL ROAD TRANSPORT CORPORATION LIMITED

Schedule to Delegation of Power Rules.

Serial No.	Nature of Powers	To whom Delegated	Extent of powers delegated	Remarks
1	2	3	4	5
1	(*a*) Creation of temporary posts on approved scales of pay for period not exceeding six months.	(*a*) M. D.	*Establishment* : (*a*) Full powers in respect of posts carrying a scale with a maximum pay not exceeding Rs. 680.	All cases in which this power has been exercised should be reported to the Board at the earliest opportunity.
	(*b*) Power to abolish posts	(*b*) M. D.	(*b*) Do.	
2	Fixation of pay above the minimum of the scale/grant of advance increments.	M. D.	Powers to sanction not more than five increments in respect of categories of employees other than officers at the time of their appointment.	All cases in which this power has been exercised should be reported to the Board at the earliest opportunity.
3	(*a*) Grant of leave in accordance with rules to : (*i*) Heads of Deptt.	(*i*) M. D.	(*i*) Full Powers	(*i*) As per company's leave rules.
	(*ii*) Officers at Headquarters	(*ii*) Heads of the respective Deptts.	(*ii*) Do.	(*ii*) Do.
	(*iii*) Heads of Branches and other officers attached to Branch Offices.	(*iii*) Commercial Manager	(*iii*) Do.	(*iii*) Do.
	(*iv*) Subordinate and clerical establishment including mechanical staff (Head Office).	(*iv*) Heads of respective Deptts.	(*iv*) Do.	(*iv*) Do.

1	2	3	4	5
	(v) Do. (Branch Office) .	(v) Head of the respective Branch.	(v) Full Powers	(v) As per company's leave rules.
4	Declaring an officer as controlling Officer	M. D.	Full powers.	
5	(a) Transfer of officers/staff .	(a) M. D.	. Full powers .	
	(b) Transfer of staff other than Officers.	(b) Personnel Manager	. (b) Full powers in consultation with concerned Deptt.	
6.	Reimbursement of medical expenses in relaxation of rules.	M. D.	. To the extent of Rs. 100 in each case.	
7	(a) Grant of normal increment .			(a) Normal periodical increments may be drawn as a matter of course unless withheld.
	(b) Grant of increment above efficiency bar.	(b) M. D. Heads of Deptts.	(b) Full powers . Full powers in respect of subordinate staff attached to their branches.	
8	(a) Advance of pay & T.A. in accordance with rules.	(a) Accounts officer/Heads of Branch not having an Accounts Officers.	(a) Subject to the condition that accounts have been rendered for previous outstanding advances, if any.	
	(b) Trip advance of drivers .	(b) Do.	(b) Do.	
9	Sanction of imprest .	M. D.	Full powers.	
10	(a) Grant to or acceptance by Company's employees of honorarium/ fees.	(a) Do.	(a) Upto Rs. 500/ in each cases but not exceeding Rs. 1,000/ in a year in respect of one employee.	

	(*b*) Rewards	(*b*) Do.	(*b*) Upto Rs. 300 in each case.	
12	Extension of joining time	Do.	Full powers.	
13	To sanction to detailed estimates for works included in the works programme approved by the Baord.	M. D.	*Works* : Full powers, upto 10% over the original estimate.	1. A report should be made to the Board. 2. In consultation with F.A.
14	Finalisation of contracts for approved works on the basis of lowest acceptable tender.	M.D.	Full powers.	In consultation with F.A.
15	Finalisation of contracts on the basis of Limited tenders.	M. D.	Upto Rs. 50,000 in each case.	In consultation with F.A.
16	Awarding contracts without calling for tenders in emergent cases.	M. D.	Upto Rs. 10,000 in each case.	
17	To award contracts for building bodies, on chassis, repairs to trucks, trailors, jeeps, car, etc.	M. D.	Full powers in cases where contracts are awarded to Govt. Depts./Public Sector Undertakings either on the basis of negotiations or on cost plus basis otherwise upto Rs. 10,000 in each case.	
17	(A) Minor repairs to vehicles, repairs to Fule Pump/Injectors and any other Machinery Parts and Welding jobs which cannot be attended to departmentally.	Head of Branches.	Upto Rs. 500 in each case.	With the concurrence of the local Accounts Officer/Assistant Accounts Officer. where one is posted. Otherwise each such case should be reported to F.A. immediately.
18	To award contract for loading, unloading transport, etc.	M. D.	Upto 1 year and for an amount not exceeding Rs. 50,000 in each case.	In consultation with F.A.

1	2	3	4	5
18	(A) Retreading/Resoling of tyres	Head of Branches.	Upto Rs. 2,500 per month.	Open or limited tender should be invited and rates approved with the concurrence of the Local Accounts Officer/Assistant Accounts Officer where one is posted. Otherwise, FA's concurrence should be obtained.
		(Purchase (raw materials, spares, tyres, batteries, etc.)		
19	Acceptance of lowest acceptable tender.	(*i*) Stores Purchase Officer	(*i*) Upto Rs. 20,000 in each case.	(*i*) with concurrence of F.A. in case of purchase exceeding Rs. 5,000.
		(*ii*) Heads of Branch.	(*ii*) Upto Rs. 5,000 in each case	
20	Acceptance of lowest acceptable tender (in case of limited tender inquiry.)	(*i*) Stores Purchase Officer	(*i*) Upto Rs. 10,000 in each case	(*i*) Do.
		(*ii*) Heads of Branch	(*ii*) Upto Rs. 2,500 in each case.	(*ii*) Do.
21	Do.	(*iii*) M. D.	(*iii*) Full Power	
22	To make purchase without calling for tender.	(*i*) Stores Purchase Officer	(*i*) Upto Rs. 10,000 in each case	(*i*) In respect of purchase made directly from the manufacturers or a direct dealers of the manufacturers or from rate contract holders of DGS & D. or ASRTU.
		(*ii*) Heads of Branches	(*ii*) Upto Rs. 2,500 in each case.	
		(*iii*) Manager (Tech.) Maintenance Engineer.	(*iii*) Upto Rs. 200 in each case.	
		(*iv*) M. D.	(*iv*) Full powers	
				(*ii*) Do.
				(*iii*) Do.

23	To place repeat orders at the last purchase price.	Stores Purchase Officer Heads of Branches.	To the extent of their respective purchase power.	Provided that the last purchase was was not made more than six months back and that no downward tender in the price was noticeable.
24	To make ctusal purchase either in cash or on proforma in cases of urgent requirements.	(*i*) Stores Purchase Officer .	(*i*) Upto Rs. 500/- in each case.	
		(*ii*) Heads of Branches	(*ii*) Upto Rs. 100/- in each case.	
		(*iii*) Manager (Tech.) .	(*iii*) Do.	
		Purchase (Capital items)		
25	Acceptance of lowest acceptable tender (in case open tenders are invited).	M. D.	Full powers.	Purchase exceeding Rs. 25,000/- in a single case should be reported to the Board.
26	Acceptance of lowest acceptance tender (in case of limited tender enquiry).	M. D.	Upto Rs. 25,000/- in each case.	A report should be made in the Board.
		CONTINGENCIES AND MISC.		
27	To sanction expendiiture on staff welfare/recreational activities	M.D.	At the rate of Rs 2/- per employee per year.	
28	To sanction expenditure on ceremonial occasions	M.D.	For an amount not exceeding Rs. 200/- on each occasion in respect of each unit or Branch	
29	To sanction residential telephones	M.D.	Full powers	
30	To sanction advertisement charges	M.D.	Full powers	
31	To sanction legal charges .	(i) M.D.	(i) Full Powers	
		(ii) Heads of Deptts at H O	(ii) Full powers	(ii) In cases of legal advice obtained from Company's solicitors
		(iii) Heads of Branches	(iii) upto Rs 50/- in each case	(iii) In case of legal advice obtained from Company's lawyer

2	3	4	5
32. To sanction purchase of station ery and other office store	(i) Administrative Officer	(i) Upto Rs 100/- in each case	
	(il) Heads of Br	(ii) Upto Rs. 50,- in each case	Do.
	(iff) M.D.	(fl) Fill powers in each case	
33. Renting of accommodation for office/ workshop	M.D.	Upto Rs. 1000,- in respect of each Unit/Branch	
34. Renting of accommodation for sub-ordinate operative/maintenance staff	M.D.	Upto Rs. 250/- p. m. in respect of each Unit/Branch.	
35. Insurance of vehicles . .	Secretary	Full powers for 'Act only' policy.	
36. Insurance of properties other than vehicles against loss, fire, burglary, etc.	M.D.	Full powers.	
37. Repairs to furniture, fixture, bicyle, a type-writers, etc.	(i) Administrative Officer	(i) Upto Rs. 100 in each case	
	(ii) Heads of Branch es	(ii) Upto Rs. 50/- in each case	
	(iii) M.D.	(iii) Full powers in each case.	
38. Purchase of books, periodicals, journals etc.	M.D.	Full powers.	
39. Printing 2	M.D.	Full posers.	
39. A Printing of Standard Forms .	Heads of Branches	Upto Rs. 200/- in each case	On the basis of lowest acceptable tenders.
40. Purchase of furniture and office equipment including type-writers, duplicators, calculating machines etc.	M. D.	Full powers.	

40.	A Purchase of Office furniture	Heads of Br.	Up to Rs. 50/- in each case subject to a limit of Rs. 250/- per annum.	Do.
41.	Demurrage/Wharfage charges	M.D.	Full powers.	
41A.	Demurrage Wharfage Charges	Heads of Br.	Up to Rs. 50/- in each case subject to a limit of Rs. 20/- per month.	All such case should be shown to the local accounts Officer where one is posted. Otherwise at the end of each month a list of such cases during the month should be sent to F.A.
42.	Expenditure on electricity, water-charges etc. in respect of office/ workshop			May be incurred without any specific sanction.
43.	Expenditure on telephone calls, postage, telegrams etc.			May be incurred without any specific sanction provided the purpose is official.
44.	To sanction actual travel expenses .	Heads of the Deptt. Head of Branches	Upto Rs. 5/- in each case	For travel on company's business within their respective headquarters.
45.	Freight charges (other than air freight) on stores/materials etc. duly ordered.			May be incurred without any specific sanction.
46.	Air freight on stores/materials etc. duly ordered	M. D.	Full powers.	

1	2	3	4	5
47.	Expenses on entertainment . .	(i) M. D. (ii) Heads of Deptt. Heads of Branches.	(i) Upto Rs. 2500/- per year (ii) Up to Rs. 20/- p.m.	(ii) (a) It is only to entertain official visitors/Govt. and statutory auditors/representatives of employees Union in the office permises that expenditure may be incurred. (b) Expenditure per head per occasion should not exceed Rs. 0·50.
48.	Other non-recurring expenses of contingent nature	(i) M.D. (ii) Administrative Officer (iii) Heads of Branches	(i) Full powers (ii) Up to Rs. 25/- in each case (iii) Do.	
49.	To institute, defend, compound or abandon legal proceedings, or refer claims to arbitration and execute powers of attorney and sign vakalatnamas, plaints, and all other documents and papers in connection with cases in Law Courts.	M. D.	Full powers.	These powers may be delegated by M. D. to other officers as may be considered necessary.
50.	Execution of instruments, deeds, leases, contracts etc.	M.D. Secretary.	Full powers.	Subject to condition as may be laid down.
51.	To declare stores as surplus/unserviceable, to fix their reserve price and to prescribe the mode of their disposal.	M. D.	Up to Rs. 1 lakh per annum.	A report should be made to the Board in case the book value exceeds Rs. 25,000/- on each occasion.

52. Writing down the value of surplus/ obsolete stores on the books.	M. D.	Upto Rs. 1 lakh per annum.	A report should made to the Board in case the book value is to be reduced by more than 25 percent.
53. Investment of money not immediately required for the purpose of the Company.	M. D.	Full powers.	A report should be made to the Board.
54. To sanction write off of losses · ·	M. D.		To the extent prescribed by the Board.
FREIGHT RATES			
55. Fixation of freight · · · ·	(i) M. D.	Full powers.	(i) Long term contracts with private parties i.e. parties Other than Govt. Deptts. Govt. Undertakings and Quasi-Govt. Organisations at reates below cost shall not be entered into without Board's approval.
	(ii) C. M.	(ii) Full powers.	(ii) In respect of (a) day-to-day business so long the feright is not less than the prevailing market rate and (b) short-term/causal business with Govt. /Quasi Govt./Public Sector bodies.
56. Waiver of wharfage charges · ·	(i) M. D.	(i) Up to Rs. 2500/- in each case.	
	(ii) C. M.	(ii) Up to Rs. 500/- in each case	
	(iii) Heads of Branches Branches.	(iii) Up to Rs. 100/- in each case	
57. Waiver of detention charges for detention of vehicles after the free	(i) M. D.	(i) Up to Rs. 500/- in each case	
	(ii) C. M.	(ii) Up to Rs. 10 /- in each case	

1	2	3	4	5
	time allowed for loading and un - loading	(iii) Heads of Branches	(iii) Upto Rs. 2 /- in each case	
58.	Payment o M.V. Tax and payment route permit fees	(i) Commercial Officer (ii) Heads of Branches	Fill powers in respect of vehicles allutted to the . respective Branches.	
59.	Payment of temporary permit fee	C.M.	Full powers.	
60.	Purchase of fuel	(i) M.D. (ii) Heads of Branches	(i) Full powers Upto Rs. 200/- in each case.	
61.	Passing bills for payment	All Officers in Finance & Accounts Deptt. Heads of Branches not having any Accounts Officer	Full powers provided expenditure is sanctioned by the competent authority.	

DELEGATION OF POWER RULES

1. For the purpose of these rules—

(A) Head of Deptt. means and includes—
(i) General Manager (ii) F.A. & C.A.O. (iii) Commercial Manager (iv) Personnal Manager.

(v) Mangaer (Tech.) (vi) Secretary-cum-Administrative Officer.

(B) Heads of Branches means and includes—
Sr. Deputy General Manager, Dy. General Manager, Branches Manager, Dept. Manager or any other officer placed in charge of a Branch under orders of Managing Director.

2. The authority specified in column 3 of the schedule attached to these rules may exercise powers specified in column 2 subject to limitation specified in column 4 and in consultation with or concurrence of F. A. & C. A. O. to the i extent indicated in column 5 thereof. F.A. & C. A.O. may issue orders specifying the officers subordinate to him who can act on his behalf for the porpose of consultation or concurrence.

APPENDIX XX

(*Vide* reply to Recommendations at Sl. Nos. 20, 21 and 22)

Copy of letter No. 39-T(68)|68 dated 14th November, 1968 addressed to Chairman and Managing Director, CRTC Ltd., 4, Fairlie Place, Calcutta-1 from Shri B. M. Mazumdar, Under Secy. to the Government of India, Ministry of Transport and Shipping, New Delhi

SUBJECT—Action on recommendation of Administrative Reforms Commission in regard to decentralisation of powers in public sector Undertakings.

I am directed to forward herewith a copy of the Ministry of Finance (Department of Expenditure—Bureau of Public Enterprises) O.M. No. 2(111)|68-BPE(GM), dated the 25th June, 1968, on the subject noted above, and to request that the question regarding (further) decentralisation of powers on the various matters listed in the enclosure to the O.M., within the Corporation, may be placed before the Board of Directors and their decision communicated to this Ministry as soon as possible.

Copy

A copy of the Office Memorandum No. 2(111)|68-BPE (GM), dated the 25th June, 1968 from the Government of India, Ministry of Finance, Department of Expenditure to all Ministries|Departments of the Govt of India, etc., etc.

SUBJECT—Action on Recommendation No. 4(1)(b) of the A.R.C. in their Report on "Public Sector Undertakings—Boards of Directors and decentralisation of powers".

The undersigned is directed to refer to recommendation No. 4(1)(b) of the Report of the Administrative Reforms Commission on "Public Sector Undertakings and the decision of Government thereon vide this Ministry's Office Memorandum No. 2(90)|68-BPE(GM), dated the 20th May, 1968. As indicated in this O.M. Government have decided that in the larger enterprises full time functional Directors may be appointed, who will be executive heads of their departments. The pattern of working is to be somewhat on the lines of the Railway Board. In this context Government also recognised that there should be suitable decentralisation of powers not only between Government and the Board of Directors, but within the undertaking itself, Ministry of Petroleum and Chemicals, etc. are requested to ensure that adequate powers are delegated by the Boards of Directors of Public Enterprises under their administrative control to the Chief Executive as well as to the Heads of Departments in these enterprises. This apportunity may also be taken to standard-

ise the nature and extent of powers so delegated in all these cases in the schedule of powers outlined in the enclosed proforma. Such standardisation will facilitate any comparative study of the internal delegation of powers between the enterprises which kindly be forwarded to the Bureau of Public enterprises for information. The Bureau's advice will be made available to the enterprises in this regard, if they so desire.

S. No.	Name of powers	Managing Director Chief Executive	Name of Department
1	2	3	4
	A—ESTABLISHMENT		
1.	(a) Creation of posts on approved scales of pay.		
	(b) Power to abolish posts created under his powers or by any subordinate authority.		
2.	(a) Appointment.		
	(b) Fixation of initial pay.		
3.	(a) Grant of leave in accordance with rules.		
	(b) Special Disability leave.		
4.	Declaring an officers Controlling officer.		
5.	(a) All matters relating to grant of travelling allowance according to rules.		
	(b) Travel by air or higher class of accommodation. . .		
6.	Transfer of officers and staff. .		
7.	Reimbursement of medical expenses in relaxation of rules in exceptional cases with the specific approval in writing of an authorised medical officer of the Company, including journey expenses and consultation fee.		
8.	To permit handling over/taking over charges away from Headquarters.		
9.	To make officiating arrangements up to 4 months in leave vacancies.		
10.	To restrict the pay of an officiating employee.		
11.	(a) To make promotions. . .		
	(b) Fixation of pay on promotion.		

1	2	3	4
12.	Grant of increment beyond E. B. or when with held		
13.	Extension of joining time.		
14.	Advance of pay and T.A. in accordance with rules.		
15.	Advance for purchase of conveyance in accordance with rules.		
16.	Sanction of permanent advance/ imprest.		
17.	(a) Grant to or acceptance by Company's employees of honoraria/fees. (b) Grant to or acceptance by Company's employees of rewards.		
18.	Retention of a Company servant after 55/58 years of age up to 60, subject to usual conditions.		
19.	To prescribe the form of surety bonds to be executed by staff handling cash and stores, etc.		
20.	To fix instalments for recovery of over-payment of pay and allowances.		
21.	Investigation of arrear claim.		
22.	Acceptance of resignation.		
23.	Administrative approval of works.		
24.	Excess over administrative approval.		
25.	Technical sanction to detailed estimates for works administratively approved by competent authority.		
26.	Excess over technical sanction.		
27.	Acceptance of tenders for works when open tenders are invited and more than one valid tender received and no follow up negotiations are necessary.		
28.	When a single tender is received (to be treated as negotiated tender)/ acceptance of contracts by negotiation after invitation to tenders for reasons to be recorded in writing.		
29.	Acceptance of contracts without calling for tenders in emergent		

1	2	3	4
	cases for reasons to be recorded in writing.		
30.	Work Order (Power to award work without calling for tenders).		
31.	To sanction commencement of works on an utgency certificate after administrative approval but before technical sanction to the estimate.		
32.	Grant to extension of time beyond the period (s) stipulated for the execution of the contract.		
33.	Maintenance and repairs to roads and buildings, machinery and vehicles.		
34.	To fix rents for quarters, shops, land and business premises.		
35.	Power to classify factory quarters suitable for one or more individuals of specified rank.		
36.	To sanction extra/supplementary items and/or minor deviations in contracts for works.		
37.	To award contracts for loading, unloading, handling, transport, etc.		
	C—PURCHASES		
38.	To sanction of purchase of : (i) Raw materials (ii) Plant and Machinery (iii) Spares (iv) Tools (v) Other : (a) Perishable stores (b) Non-perishable stores.		
39.	Acceptance of tenders when open tenders are invited and more than one valid tender is received or on the basis of DGS & D rate contract.		
40.	Purchase at controlled rates without calling for tenders.		
41.	Purchase/acceptance of tenders of raw materials at controlled rates or specific/ceiling rates approved by Government of the Board.		

1	2	3	4
42.	Acceptance of single tender by negotiation after invitation to tenders for reasons to be recorded in writing.		
43.	Proprietary articles.		
44.	Repeat, orders within 3 months or original order provided there has been no down ward trend in prices and further the value of the repeat order does not exceed 50% of the value of the original order.		
45.	Emergent purchases.		
46.	Amendment to contracts excluding extension of delivery periods.		
47.	Grant of extension of times beyond the period (s) stipulated for the execution of the contract.		
48.	To waive liquidated damage in cases of late deliveries where no loss is involved.		
49.	To waive liquidated damages in cases of late deliveries where an actual loss is involved.		
50.	To sanction expenditure on ceremonial occasions.		
51.	To sanction residential telephones.		
52.	To sanction advertisement charges.		
53.	To sanction legal charges.		
54.	To sanction purchase of stationery and stores including office equipment (other than for works).		
55.	Renting of accommodation.		
56.	Insurance.		
57.	(a) Repairs to furniture. (b) Repairs to bicycles. (c) Books and periodicals. (d) Printing . (e) Purchase of furniture and office equipment.		
58.	Other contingent charges.		
59.	To declare stores as surplus/unserviceable, to fix their reserve price and to prescribe the mode of their disposal.		

1	2	3
60.	Writing down the value of surplus obsolete stores on the books.	
61.	Execution of Instruments Deeds, Leases, Contracts, etc.	
62.	To sanction write off of losses—	
	(a) not due to theft, fraud or negligence	
	(b) Due to theft or negligence subject to an enquiry.	
	(c) of amounts due to the Company such as rent, hospital dues, becoming irrecoverable subject to an enquiry.	
63.	To sanction claims for demurrage/ wharfage.	
64.	To incur expenditure on immediate safety of employees, plant, machinery, etc. within works premises and Township.	
65.	To sanction expenditure for transport of materials by other than the cheapest mode in emergencies (reasons to be recorded in writing).	
66.	To sanction re-appropriations between the heads of expenditure in the sanctioned budget .	
67.	To institute, defend, compound or abandon legal proceedings, or refer claims to arbitration and execute powers of attorney and sign Vekalatnamas, Mukhtiarnamas, plaints written statements and all other decuments and papers in connection with cases in Law Courts, etc, on behalf of the Company.	
68.	Grant of compensation under workmen's Compensation Act. .	
69.	T. A. to Experts, Consultants, etc.	
70.	Waiving of compensation for loss due to the failure of contractors.	
71.	Non- recurring grants.	
72.	Conveyance allowance.	
73.	Bicycle allowance.	
74.	Re-appropriation of buildings.	

1	2	3	4
75.	Demolition of temporary structure.		
76.	Employees welfare to provide for the welfare of the employees or ex-employees of the company or its predecessors in business and the wives, widows and families or the dependents etc.		

APPENDIX XXI

(*Vide* reply to Recommendations at S. Nos. 20, 21 & 22)

No. 2(34)/69-BPE(GM)

GOVERNMENT OF INDIA

MINISTRY OF FINANCE

BUREAU OF PUBLIC ENTERPRISES

New Delhi, the 7th July, 1969.

OFFICE MEMORANDUM

SUBJECT: *Responsibility of the administrative Ministries in regard to the performance of Public Enterprises.*

The Committee on Public Undertakings (1967-68) in their Report on National Coal Development Corporation Ltd., has made the following recommendation (Rec. No. 74):

> "The Committee feel that the Ministry cannot also be absolved of the responsibility in regard to the affairs of N.C.D.C. It is a pity that the Government although aware of the distressing conditions prevailing in NCDC, did not take any effective action all these years to improve matters. *The Committee feel that administrative Ministries must keep a closer watch over the performance of the public undertakings under their control and take remedial action in time.*"

2. The observations of the Parliamentary Committee that the administrative Ministries should keep a closer watch over the performance of the Public Enterprises under their control and take remedial action in time are unexceptionable. It is also true that this is one of the normal functions of the Ministries/Departments, who do take necessary steps in this regard. However, there is obviously the need for laying down certain procedural requirements for ensuring the necessary accountability of the Public Enterprises to Government and Parliament. This all the more necessary in the context of the various decisions, which have been taken recently, pursuant to the recommendations of the Administrative Reforms Commission in their Report

on "Public Sector Undertakings" on the recommendations made by the Committee on Public Undertakings in their Reports on "Financial Management", "Materials Management", etc., as well as on the periodical reviews undertaken by Government on the performance of these enterprises. It may be mentioned that the Government's policy underlying these decisions may be broadly defined as follows:—

(1) It is recognised that in order to enable these undertakings to work with greater autonomy, there should be sufficient delegation of powers to the Public Enterprises.

(2) Simultaneously, every effort should be made to assist the enterprises to secure suitable managerial talent.

(3) In addition, measures have to be taken and guidelines laid down for improving management techniques in all its various aspects in these enterprises.

(4) There should be an effective machinery for periodical review and appraisal of their performance so that defects may be put right as speedily as possible.

In other words, substantial powers have now been delegated to the Public Enterprises relating to financial and administrative matters. While these enhanced powers have been conferred on the managements of the enterprises, the Government and the administrative Ministries will have to continue to be responsible for the performance of the enterprises in accordance, with the broad programmes and policies approved by Government.

3. Government have considered the directions in which action could be immediately taken for making the concept of accountability of these enterprises to Government effective and purposeful, within the framework of greater delegation of powers to these enterprises to be exercised in conformity with the guidelines issued on various facts of management, consequent to the policy decisions taken by Government. It has been decided that a beginning can be made for effective shouldering of Government responsibility in the running of Public Enterprises, which would be oriented more to the over-all performance of the undertakings without going into matters of detail in the following directions:

(i) Suitable briefing of Government Directors on the Boards of Managements of Public Enterprises;

(ii) Effective reporting system followed by Performance Review meetings; and

(iii) Periodical appraisals by the Bureau of Public Enterprises jointly with the administrative Ministry.

As regards (i) the administrative Ministries should develop appropriate arrangements for the briefing of their representatives on the Boards of the enterprises concerned. As regards (ii), the administrative Ministries should prescribe suitable reports and returns to assess their performance. What methodology should be followed for this purpose is for Ministries to consider, since there cannot be uniformity in the matter. It has further been decided that the Secretary of the administrative Ministry concerned should hold a Performance Review Meeting with the Chief Executive individually, to discuss and analyse the contents of the performance reports of the enterprises *vis-a-vis* targets laid down for the year as well as for the individual quarters. At this meeting the Financial Adviser to the Ministry or Deputy Financial Adviser as the case may be could also be invited. Representatives from the Bureau of Public Enterprises would attend such meetings if invited to do so by the Administrative Ministry concerned. The periodicity of such regular meetings to be held with the Chief Executive will be a matter to be decided by the Ministries themselves, having regard to nature and the number of units under their control and the urgency of the problems involved. Nevertheless such meetings should ordinarily be held not less frequently than once in six months. While holding these Performance Review Meetings, the opportunity should also be taken to discuss any "clearing house" items which the Chief Executive may like to bring up. A proper agenda for the meeting should be prepared in advance and minutes issued later, to be shown to Minister. Actions to be taken on such proceedings should also be followed up both by the Administrative Ministries as well as the concerned enterprises. As regards (iii), the performance appraisal conducted by the Bureau of Public Enterprises of individual undertaking will continue.

4. Ministry of Steel & Heavy Engineering, etc., are requested to take action, as envisaged in the preceding paragraph, in respect of the Public Enterprises under their administrative control.

Sd|- P. K. BASU,

Director, Bureau of Public Enterprises.

To

All Ministries/Departments of the Govt of India.

Copy to:—

(i) The Comptroller & Auditor General of India.

(ii) Production Division|Adviser (c) |Adviser (F) |DS (I&R) |DS (BPE)/Plan Finance Division.

(iii) Heads of Expenditure Divisions in the Department of Expenditure (with 2 spare copies).

Sd/- P. K. BASU,
Director, Bureau of Public Enterprises.

APPENDIX XXII

(*Vide* reply to Recommendation at Sl. Nos. 20, 21 and 22).

Copy of Confidential D.O. No. H|Admn|37D|74(V), dated January, 28, 1966 from Central Road Transport Corporation Ltd., 18, Rabindra Sarani, Calcutta-1, to Shri A. B. Ganguly, ICS, Chairman, Calcutta State Transport Corporation, 5, Nilgunge Road, Belghoria (24 Parganas)

You are aware that our Corporation is a member of the Indian Institute of Road Transport of which you happen to be Chairman and Shri G. L. Sayal Secretary. After our membership Shri Sayal has been contacting us frequently on various matters connected with transport and I encouraged him to do so in the belief that his knowledge and experience might be of some use to this Corporation. But I regret to bring to your notice that Shri Sayal has exploited his position as Secretary of the Institute and persuaded us to enter into some commercial deals which seem to be landing this Corporation in heavy losses. As on date Shri Sayal owes this Corporation a sum of about Rs. 27,000|- on various counts. A major portion of this amount accrued in October, 1965.

On 3rd December, 1965, Shri Sayal met me in my Office and agreed to pay up all the dues by instalments on or before 22-1-1966. He also signed the minutes of the discussion in this behalf in token of his agreeing to do so. But since then he has been avoiding to see me and he is not available on telephone either in his office or at his residence. No payment has been made so far.

The conduct of Shri Sayal leads to believe that his dealings are not bonafide and that his integrity is questionable. We have already served him with a registered notice for paying up the dues and if he does not respond we might have to go to a court of law. Before taking this extreme action, I feel that I should request you to use your good offices in persuading Shri Sayal to pay up our dues within a reasonable time. Could you kindly help us in the matter?

with kind regards,

APPENDIX XXIII

(*Vide* reply to Recommendation at Sl. 24)

F.A. and C.A.O. instructed to prefer claim @ of Rs. 130|- per day and acceptance of the R.S.N. in respect of rates to be communicated to the H.O.

In spite of reminding the R.S. N. nothing has been heard. Their office has also been contacted to obtain the acceptance but of no avail. We have received a letter today that the matter is under examination at their end and shall report as soon as possible.

So it may please be decided as to whether we are to prefer our claim as per decision of H.O.

Sd|- R. C. BARUA,
Accountant.

The matter has been discussed with DGM. DGM ordered verbally to prefer our claim accordingly as per decision of H.O.

Bill section to prefer claim accordingly as ordered by DGM pending settlement of the claims of M|s Agnigrah Transport on receipt of the acceptance of the rate from the R.S.N.

Sd|- R. C. BARUA,
Accountant.

P.S. as per DGM the rate of Rs. 130|- per day has been accepted verbally by the party.

Sd|- R. C. BARUA,
Accountant.
1-2-67

APPENDIX XXIV

(*Vide* para 6 of Introduction)

Analysis of the action taken by Government on the recommendations contained in the sixty second Report of the Committee on Public Undertakings (Fourth Lok Sabha)

I.	Total number of Recommendations	25
II.	Recommendations that have been accepted by Government (vide recommendations at serial Nos. 11, 16 and 18)	
	Number .	3
	Percentage to total	12%
III.	Recommendations which the Committee do not desire to pursue in view of Government's replies (vide recommendations at serial Nos. 1, 2, 3, 4, 5, 6, 8, 9, 10, 12, 13, 15. 17 and 23)	
	Number	14
	Percentage to total	56%
IV.	Recommendations in respect of which replies of Government have not been accepted by the Committee (vide recommendations at serial Nos. 7, 14, 19, 20, 21, 22 and 24)	
	Number .	7
	Percentage to total . .	28%
V.	Recommendations in respect of which final replies of Government are still awaited (vide recommendation at serial No. 25)	
	Number	1
	Percentage to total	4%

MGIPND—LS II—280 LS—20-6-73—1375.